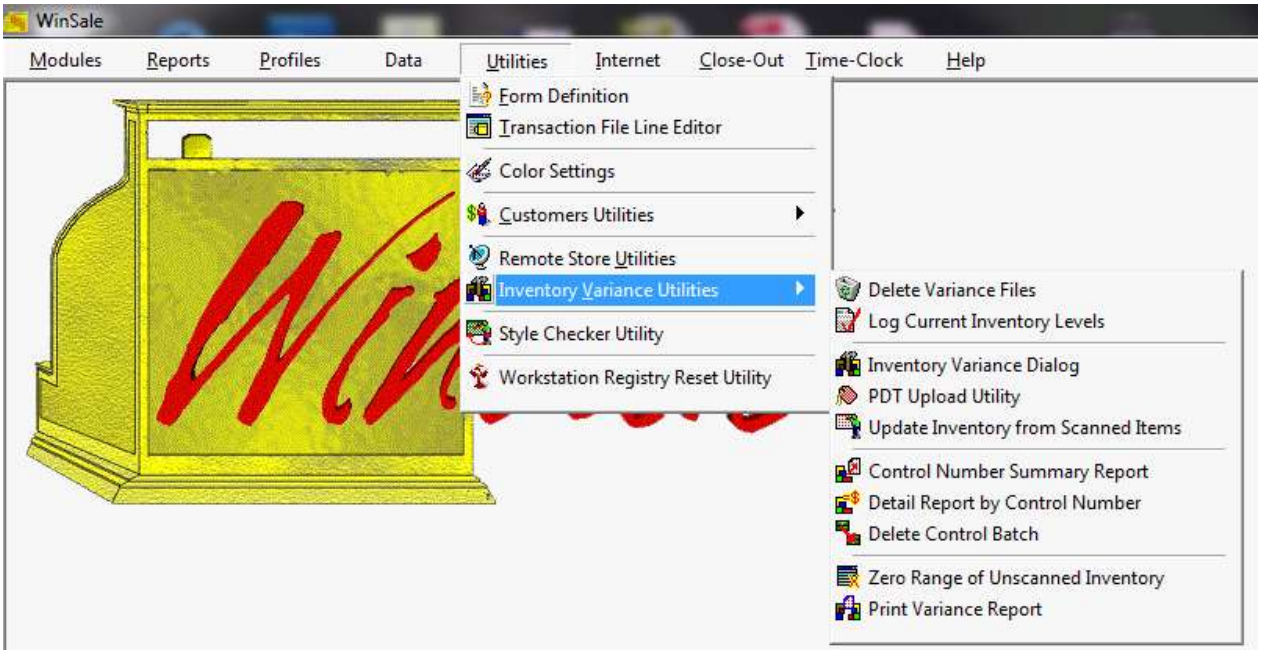
# 22 Physical Inventory




***NOTE:*** The order in which Help Files are located in this chapter is the order you should proceed working with Physical Inventory.

## Inventory Variance Overview Steps

**Note:** We recommend backing up your inventory prior to starting any inventory. Also, you may want to print an Inventory Value By Department report to understand the valuation of your inventory before changing values.

1. ***Delete Variance Files*** - This is the first Step and should be done once upon starting a new inventory variance. This step ensures that you will be starting a new inventory cycle and empties the buckets of prior inventory variances. You should also take this opportunity to erase your data collector (if you are using one) so that no inventory numbers remain from prior inventory taking sessions.
2. ***Log Current Inventory Levels*** - This is an optional step that will log the inventory levels before actually doing an inventory variance. This step can be omitted but is recommended.
3. This step is where you should scan your items either with the use of the variance dialog or by using one of the data collector units that Winsale supports.

**Note:** Magnum Software recommends using small chunks of inventory collection rather than one large collection. This way you can take advantage of the control batch ID numbers for better stock taking control. With small batches you can delete a batch and print separate batch reports. Also if there is a

malfunction you will not lose all of your work. Always remember to erase the data collector unit after successfully reading in each inventory batch

4. ***Read in the data collector*** using the PDT upload utility. If not using a data collector use the inventory variance dialog.

5. If using a data collector, ***erase the data collector unit after verifying that the data was read in successfully***. You can verify the data read in successfully by running either the Detail Report by control number or the control number summary report.

6. Repeat steps 5 through 7 as many times as needed until you have scanned all of your inventory.

7. ***Update inventory from scanned items*** – This step will update your inventory to match what was scanned in steps 5 and 6. This however, does not update any items that were not scanned.

8. ***Zero un-scanned Inventory*** - This function will compare what you scanned against the inventory and any items that were not scanned will have the quantity zeroed out. This function uses ranges so that you can do partial inventory. In other words you may decide to just inventory a certain department or vendor line. The zeroing of un-scanned inventory allows for this by just zeroing anything in that department or vendor line that was not scanned.

9. The final step is to ***print the variance report*** which will list everything that was changed either by the scanning or by the zeroing of un-scanned inventory. Any items that were not found while scanning will be marked with an asterisk and will be located on the top of the report.

## Delete Variance Files

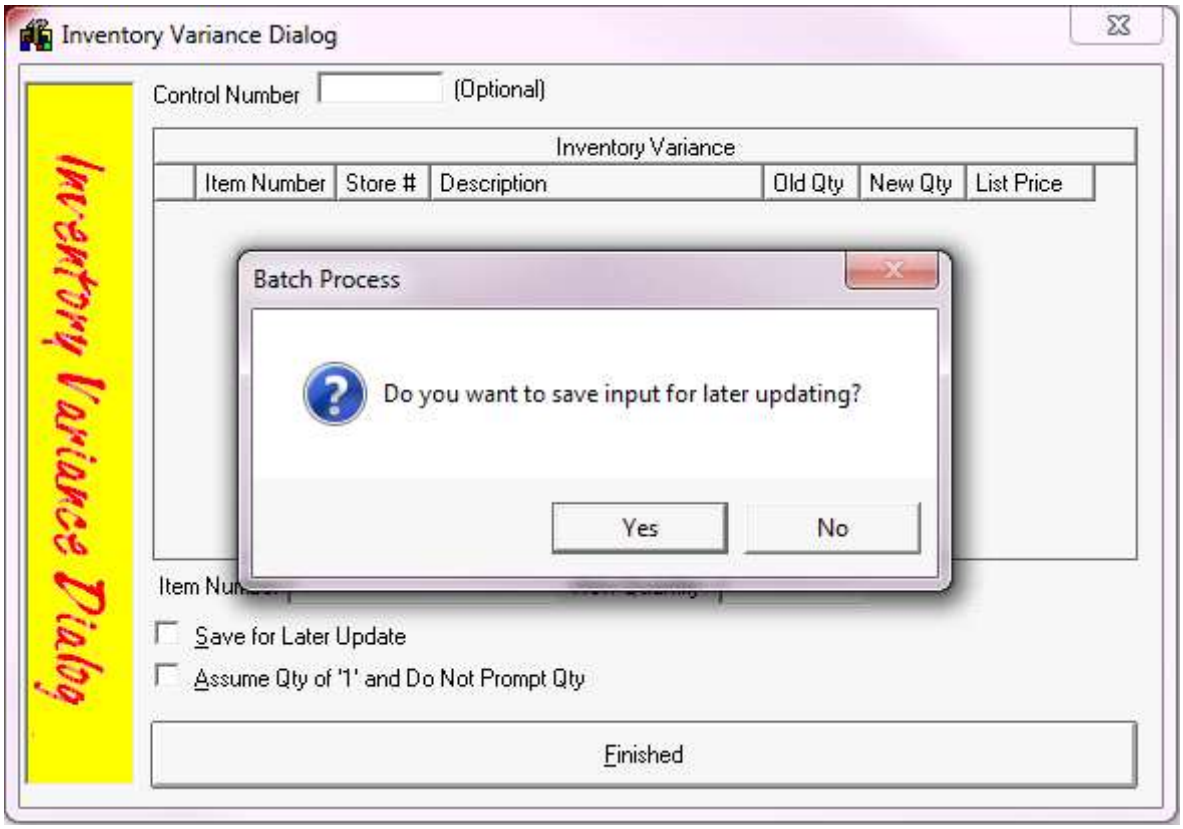
Delete Variance Files will clear the variance files so they are ready for the next time.

## Log Current Inventory Levels

This is a non destructive operation that locks the current value of your inventory into a permanent record for historical purposes. This value can be used for the current starting point of an inventory audit or to determine the valuation of inventory for this point of time.

You may use this function at any point in time but it is especially relevant prior to taking physical inventory or at the end of the fiscal year.

## Inventory Variance Dialog




This screen will allow you to change inventory levels faster than going directly to the item in the inventory module. It permits you to add or subtract a value in addition to putting a new quantity on hand. It will also build a file in the data directory showing each transaction along with the percentage of inventory variance. You may select to have the inventory updated real time or have it updated at a later time by answering **Yes** on a question that pops up. By waiting to upload the inventory at a later time you may input or scan the inventory in question and have it add it up at a later time automatically for you. With this ability you may have multiple computers updating the inventory counts and then have this information be added together. All information will be read, sorted and added together for one large update of inventory. This is extremely useful at physical inventory time.

To enter any Inventory Variance, select **Inventory Variance Utilities** from the Utilities menu. Then select **Inventory Variance Dialog** from the Inventory Variance Utilities menu. Enter the item number you want to variance. If the item number you entered exists in the inventory database, it will be displayed on the screen. If it doesn't exist, the system will use the Inventory table.

Once you have selected an existing Item Number, enter the actual quantity in inventory. The variance percentage will be displayed along with a running total of all inventory entered during the current session of entering inventory variance.

See ***Section Inventory Variance Report*** for more information.

## PDT Upload Utility

This option enables you to extract information from a scanning device (used to take inventory) and enter it into the system. You will be prompted for a control batch number. This number should be a sequential number unique every time that you read in information into the computer from the hand held device. This allows you to batch your input by number. This can be handy for auditing the upload process. You have control to edit these control batches or even delete them completely.

## Update Inventory From Scanned Items

This function will take the saved batches of uploaded inventories and save the updated quantities into the inventory file. Prior to this function your actual inventory file has remained un-touched by the variance inventory functions.

## Control Number Summary Report

This function will give you a report that will list the count totals by control batch number.

## Detail Report by Control Number

This function will report on the details of the control batches of your choice.

## Delete Control Batch

This will remove an uploaded grouping by the control number provided.

## Zero Range Of Unscanned Inventory

This option will zero out anything that was not scanned during a physical inventory. You may zero unscanned inventory by any of the following criteria: **Item Number, Vendor Number. Department, Style.** You may also limit this to a single vendor when you are running this procedure by Item Number, Style, or Department. This ability will allow you to spot check your inventory and obtain an Inventory variance by a certain criteria. This program will look at the Scanned Inventory file and compare it to your actual

inventory file. The **SCANINV.DAT** file contains anything that has been inventoried. Therefore you should always choose delete variance files prior to taking any inventories.

## Print Variance Report

The Inventory Variance report shows inventory that has been added to or subtracted from inventory. This report may be run to get a listing of changes in quantity levels put into the Inventory Variance screen or updated with a hand held data collector. The report will duplicate what was viewed while putting in the actual variances; that is, it will show the item number, description, the original inventory quantity, the new inventory quantity, and the percentage variance. (At the time of this writing, the general ledger will not be updated automatically, therefore you will need to make general ledger entries directly.)