

INVENTORY

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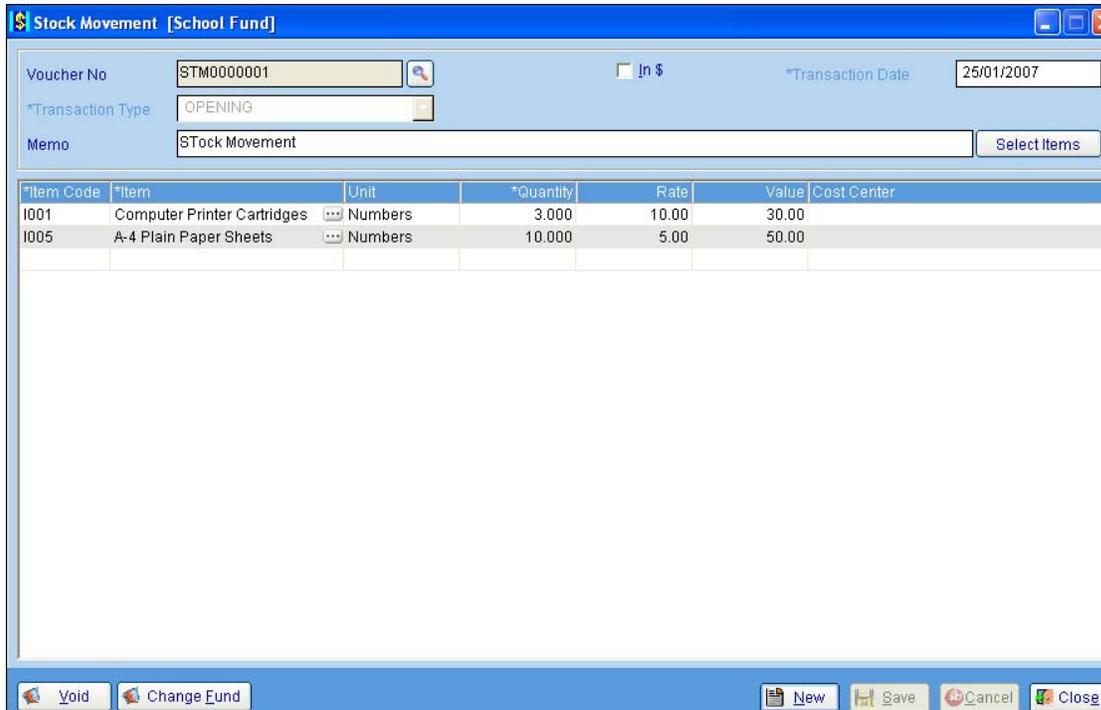
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(Compiled for FINACS v 2.12.002)

1. Stock Movement

Inventory is considered a current asset, and shown on the balance sheet, generally at cost. You can use inventory to track stock in hand, purchases or supplies and sales for all your inventory items. All items in your list need not be inventoried. For each inventory item, Finacs tracks the current stock available and the net inventory value after every sale or purchase.

Stock Movement Screen allows you to update opening quantity, create a purchase or sale transaction for all your inventoried items. For a purchase and sale transactions, the cost price and the average cost price are displayed by default. These can be modified for individual transactions.



- ◆ Updating Opening Quantity
- ◆ Creating a Receipt / Issue Transaction
- ◆ Viewing Transactions
- ◆ Editing Transactions
- ◆ Voiding Transactions

Updating Opening Quantity:

1. Display 'Stock Movement' screen from the Inventory menu.
2. The screen will open in NEW mode with the focus in the TRANSACTION TYPE field, allowing you to directly create a transaction.
3. Select OPENING from the TRANSACTION TYPE drop down list.



4. VOUCHER NUMBER is a system generated unique number used of distinguishing the transaction. It is created once the transaction is saved. Voucher number is displayed in all the reports and the ledger transactions.

Voucher No	STM00000006	
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5. Current date is populated in the TRANSACTION DATE field. You can change the date to reflect the date of transaction.
6. Enter remarks in the MEMO field.
7. Select the items whose opening quantity needs to be updated in the item grid.
8. To select an item:
 - Click in the ITEM CODE cell for the lookup icon [...] to be displayed. Click on the icon to bring up the item lookup screen with a list of all your items. Select an item and click [Accept].

*Item Code	*Item	Unit
I001	Computer Printer Cartridges	Numbers
I005	A-4 Plain Paper Sheets	Numbers

Item lookup							
No.	Code	Item	Unit	Stock	Rate	Amount	Cost Center
1	I007	Chairs	Numbers	0	0	0	General
2	I008	Desk	Numbers	0	0	0	General

- Items whose opening quantities are already updated are not displayed in this list.
 - You can create new items File > General > Items screen.
 - Or, click [Add] in the Item - Lookup screen to directly add new items. Select the item and click [Accept].
9. The selected item’s information like Code, Name, Units and default Rate are populated. You can edit the amount by clicking in the RATE cell and making the required change.
 10. The average cost price of the selected item is displayed in the RATE cell. The average cost price is the net item value divided by the stock in hand.

*Item Code	*Item	Unit	*Quantity	Rate	Value	Cost Center
I007	Chairs	Numbers		0.00	0.00	General
I008	Desk	Numbers		0.00	0.00	General

11. Enter the opening quantity in the corresponding item’s QUANTITY cell. The VALUE column gets updated automatically.
12. Multiple items can be selected in the same manner. Or, click [Select Items] for a list of all the items whose opening balances are not selected.
 - Select the required items and click [Add].
 - The selected items are added to the item’s grid.
 - Enter opening quantity for all the items.
13. Click [Save] to record the information.
14. Click [Cancel] to abort updating the opening quantities or [Close] to close the screen.
15. Once saved, the VOUCHER NUMBER is generated.
16. Use the [Change Fund] button to change the FUND or COST CENTER for the current transaction. You can set the required fund and cost center to populate every time you open the screen by defining them in the Application Setup screen from the Utilities menu. The selected fund for the transaction can also be viewed on the title bar of the screen.

Creating a Receipt / Issue Transaction:

1. Display 'Stock Movement' screen from the Inventory menu.

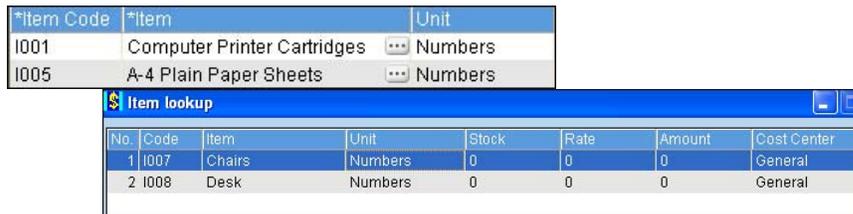
2. The screen will open in NEW mode with the focus in the TRANSACTION TYPE field, allowing you to directly create a transaction.
3. Select RECEIPT for purchases (increase in the stock) and ISSUE for sales (decrease in the stock) from the TRANSACTION TYPE drop down list.



4. For RECEIPT transactions, the item’s INVENTORY account is debited and the EXPENSE account is credited. For ISSUE transactions, the item’s INVENTORY account is credited and the EXPENSE account is debited. Refer 'Items' section under File > General menu for more information on accounts defined against items.
5. VOUCHER NUMBER is a system generated unique number used of distinguishing the transaction. It is created once the transaction is saved. Voucher number is displayed in all the reports and the ledger transactions.
6. Current date is populated in the TRANSACTION DATE field. You can change the date to reflect the date of transaction.



7. Enter remarks in the MEMO field.
8. Select the items in the item grid.
9. To select an item:
 - Click in the ITEM CODE cell for the lookup icon [...] to be displayed. Click on the icon to bring up the item lookup screen with a list of all your items. Select an item and click [Accept].

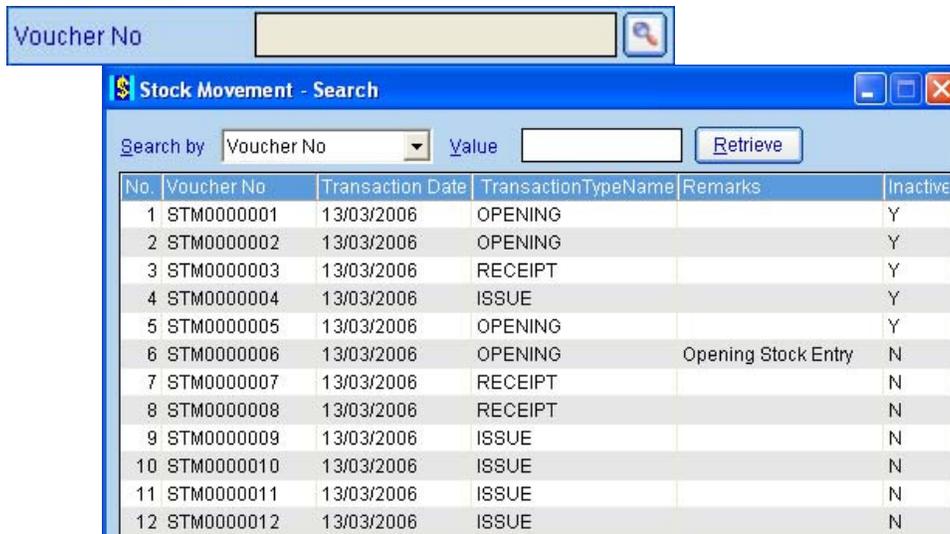


- You can create new items File > General > Items screen.
 - Or, click [Add] in the Item - Lookup screen to directly add new items. Select the item and click [Accept].
 - Items that are already added in the item’s grid are not displayed in this lookup list.
10. The selected item’s information like Code, Name, Units and default Rate are populated. You can edit the amount by clicking in the RATE cell and making the required change based on the following limitations.
 - The rate can be changed when creating a RECEIPT transaction only when the item’s rate is zero. If a rate (average price) is already present, further modifications are not allowed.
 - The rate cannot be changed when making a ISSUE transaction.
 11. The average cost price of the selected item is displayed in the RATE cell. The average cost price is the net item value divided by the stock in hand.
 12. Enter the QUANTITY received or issued. The VALUE column gets updated automatically.
 13. Click [Save] to record the information.
 14. Click [Cancel] to abort updating the opening quantities or [Close] to close the screen.

15. Once saved, the VOUCHER NUMBER is generated.
16. Use the [Change Fund] button to change the FUND or COST CENTER for the current transaction. You can set the required fund and cost center to populate every time you open the screen by defining them in the Application Setup screen from the Utilities menu. The selected fund for the transaction can also be viewed on the title bar of the screen.
17. When invoices are created using these inventoried items, they act as sales and decrease the stock and when vendor bills are created, they act as purchases and increase the stock.

Viewing Transactions:

1. Display 'Stock Movement' screen from the Inventory menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.
3. Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing transactions. Select the transaction and click [Accept] to populate all the details.



4. All the items involved in the selected transaction are displayed in the Item's grid. The corresponding Transaction Number and Date are displayed in the header section.

Editing Transactions:

You can edit existing transactions by adding or deleting items. Transaction details like item quantity, price, and amounts can be edited.

1. Display 'Stock Movement' screen from the Inventory menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.



3. Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing transactions. Select the transaction and click [Accept] to populate all the details.
4. All the items involved in the selected transaction are displayed in the Item's grid. The corresponding Transaction Number and Date are displayed in the header section.

- To edit the quantity or rate, click in the corresponding cell and enter the required values.

*Item Code	*Item	Unit	*Quantity	Rate\$	Value\$
I0001	Chairs	Numbers	25.000	150.00	3750.00
I0005	Computers	Numbers	25.000	800.00	20000.00

- To delete an item, click on the required item and press the {Del} key. This will delete the selected item after a confirmation message.
- Make the required changes and click [Save].
- Click [Cancel] to ignore the changes.
- Click [Close] to close the form. Closing the form without saving the data will pop up a warning message to save the changes. Click [No] to ignore the changes. Click [Yes] to save the changes and to close the screen and click [Cancel] to go back to the 'Stock Movement' screen.

Voiding Transactions:

Voiding will change the transaction values to zero and the corresponding stock in hand will be reverted. If the transaction is of type OPENING, then the opening quantity is made zero. If the transaction is RECEIPT or ISSUE, then the quantity is made zero and the stock in hand is decreased or increased respectively.

- Display 'Stock Movement' screen from the Inventory menu.
- The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.
- Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing transactions. Select the transaction and click [Accept] to populate all the details.
- Click [Void].



- Voiding will change the transaction values to zero and the corresponding stock in hand will be reverted.
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2. Physical Stock Adjustment

Physical Stock Adjustment screen can be used to match the application records with the actual quantities and values present. Finacs records and updates the inventory quantities for every purchase and sale. Occasionally, however, situations will occur when you need to adjust your items' quantities, unit costs and total values in Accounting. When this is the case, it's important that you make your adjustments carefully so your records remain accurate.

FINACS creates a transaction based on the difference and updates the inventory quantity (increases or decreases) accordingly. You can also modify the average cost of the item while making the adjustment.

Item Code	Item	Unit	Stock In Hand	Physical Stock	Difference	Rate	Value	Cost Center
I0005	Computers	Numbers	-2.000	2.000	4.000	14450.00	57800.00	CC 1

- ◆ Making Inventory Adjustments
- ◆ Viewing Adjustments
- ◆ Editing Adjustments
- ◆ Voiding Adjustments

Making Inventory Adjustments:

1. Display 'Physical Stock Adjustment' screen from the Inventory menu.
2. The screen will open in NEW mode allowing you to directly update stock.
3. VOUCHER NUMBER is a system generated unique number used of distinguishing the transaction. It is created once the transaction is saved. Voucher number is displayed in all the reports and the ledger transactions.

4. Current date is populated in the STOCK DATE field. You can change the date to reflect the date of transaction.

5. Enter remarks in the MEMO field.
6. Click [Retrieve] to list all the inventoried items.
7. Item Code, Description, Units, Stock in Hand, Physical Stock, Difference, Rate, Amount, and Cost Center are displayed against each item.
8. STOCK IN HAND displays the current inventory quantity present as per the (application) transactions.
9. PHYSICAL STOCK indicates the actual inventory quantity. You can edit the amount by clicking in the PHYSICAL STOCK cell and making the required change.
10. The DIFFERENCE column displays the discrepancy in the STOCK IN HAND and the PHYSICAL STOCK quantities.

Stock In Hand	Physical Stock	Difference
-2.000	2.000	4.000

- For example, if the STOCK IN HAND displays 20 and due to some spoilage or destruction the actual PHYSICAL STOCK present in your inventory is 18. Then enter 18 in the PHYSICAL STOCK. Then DIFFERENCE column displays -2 indicating a decrease in the stock.
 - Similarly there is an increase in stock if the difference column displays a positive value.
11. When adjustments are made using these inventoried items and the difference is negative, it acts as ISSUE (sales) and decreases the stock. If the difference is a positive number, it acts as RECEIPT (purchases) and increases the stock. For RECEIPT transactions, the item’s INVENTORY account is debited and the EXPENSE account is credited. For ISSUE transactions, the item’s INVENTORY account is credited and the EXPENSE account is debited. Refer ‘Items’ section under File > General menu for more information on accounts defined against items.
 12. The average cost price of the selected item is displayed in the RATE cell. The average cost price is the net item value divided by the stock in hand.
 13. The VALUE column gets updated automatically based on the difference.\

Rate	Value
14450.00	57800.00

14. Click [Save] to record the information.
15. Click [Cancel] to abort updating the opening quantities or [Close] to close the screen.
16. Once saved, the VOUCHER NUMBER is generated. Only the items adjusted are displayed.
17. Use the [Change Fund] button to change the FUND or COST CENTER for the current transaction. You can set the required fund and cost center to populate every time you open the screen by defining them in the Application Setup screen from the Utilities menu. The selected fund for the transaction can also be viewed on the title bar of the screen.

Viewing Adjustments:

1. Display ‘Physical Stock Adjustment’ screen from the Inventory menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.



3. Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing transactions. Select the transaction and click [Accept] to populate all the details.
4. All the items adjusted in the selected transaction are displayed in the Item’s grid. The corresponding Voucher Number and Date are displayed in the header section.

Editing Adjustments:

You can edit existing adjustments by modifying the details like physical stock quantity, price or date.

1. Display ‘Physical Stock Adjustment’ screen from the Inventory menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.

- Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing adjustments. Select the transaction and click [Accept] to populate all the details.

No.	Voucher No	Transaction Date	TransactionType Name	Remarks	Inactive
1	STM0000013	15/03/2006	PHYSICAL STOCK ADJ	Stock Adjustment	N

- All the items adjusted in the selected transaction are displayed in the Item's grid. The corresponding Voucher Number and Date are displayed in the header section.
- To edit the physical stock or rate, click in the corresponding cell and enter the required values.
- Make the required changes and click [Save].
- Click [Cancel] to ignore the changes.
- Click [Close] to close the form. Closing the form without saving the data will pop up a warning message to save the changes. Click [No] to ignore the changes. Click [Yes] to save the changes and to close the screen and click [Cancel] to go back to the 'Physical Stock Adjustment' screen.

Voiding Adjustments:

Voiding will change the adjusted values to zero and the corresponding stock in hand will be reverted. Based on the DIFFERENCE (positive or negative), then the physical stock quantity is made zero and the stock in hand is updated accordingly.

- Display 'Physical Stock Adjustment' screen from the Inventory menu.
- The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.
- Click on the VOUCHER NUMBER search icon to bring up a search screen. Click [Retrieve] without using any filters to list all the existing transactions. Select the transaction and click [Accept] to populate all the details.
- Click [Void].



- Voiding will change the adjusted values to zero and the corresponding stock in hand will be reverted.
-