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# **1. OVERVIEW**

## **Context**

The following process chart depicts the process involved in stocktaking at PLANTS.

- Inventory methods i.e. Continuous Inventory
- 2 variants: stocktake in WM. Sites with WM - Plant1 and Plant 2, stocktake in IM

## **Background**

- PLANTS stocktake procedures/instructions. For Yearly Physical Stocktakes.
- Also our current cyclic count is done on a daily basis and via a yearly drawn up schedule

## **THE COUNT TEAM**

Each count team will commence the physical counts by collecting the count and addition sheets from the Corporate Services Stocktake Co-ordinator who will be responsible for the issue and overall control of the count and addition sheets.

If an item being counted is in pallets or containers, it should be counted and shown by number of pallets x number of packs on pallet x number or units per pack (pick quantity shown in “pick qty column” e.g. 8 x 144 x 16 ).

As each item is counted, the Checker is to ensure that it is labelled as counted with stocktake labels.

No changes are to be made on any Count sheet if stock item is found in a different storage bin or the item description does not match. Any such item must show “0” (Zero) on the count sheet and must be written on the addition count sheets issued for this purpose.

When completing the addition sheets, the Checker must ensure that the item details are correctly recorded i.e. item number/description, batch lot number and unit of measure are as shown on bin or container.

The Checker must have all addition sheets signed by the Stores Supervisor to signify that the details recorded thereon are correct and can be keyed in.

As each count sheet is completed, both the Counter and the Checker must ensure that they have signed the count sheets in the columns "Counted by" and "Checked by".

During the stocktake there should not be any movement of stock into or out of the store, or any booking in of stock out of the Computer system.

The Corporate Services Co-ordinator should complete a control sheet of all count sheets issued and mark the sheets off as returned, to ensure all count sheets are accounted for.

### **CHECKING STOCKTAKE COUNT SHEETS AGAINST THEORETICAL PRE NUMBERED STOCK REPORT SHEETS**

Stocktake Supervisor will check all completed stock count sheets as they are received with the theoretical stock report sheets. All quantity discrepancies noted must be re-counted before they are transferred onto the theoretical sheets for keying. The theoretical stock report sheet should be used only for checking and should not be issued to counters for count purposes.

After the check of the count sheet with theoretical sheet is completed, the stocktake Supervisor must sign the count sheet in the column "Checked with theoretical by".

For items on additional count sheets, the unit of measurement is to be checked with the Material Item Master List supplied by Business Group Commercial Services managers to the Stocktake Supervisors.

### **KEYING OF CHANGED QUANTITIES**

After all re-counts and checks have taken place, the counted quantity is to be checked against the theoretical quantity. Where these quantities differ, the counted quantity is to be written in RED INK by drawing a line across the theoretical quantity on the theoretical sheet. The storage bins containing these hand written quantities are the ONLY storage bins requiring keying.

## **KEYING OF ADDITION SHEETS**

“Addition” sheets are to be checked against “Theoretical sheets to ensure that counts have not been duplicated.

“Addition” sheets are to be keyed after all CHANGE (Theoretical) sheets have been keyed and UPDATED.

## **What is covered?**

The scope covers Plant1 and Plant 2 as a manufacturing and distribution warehouse (WM variant).

## **What is not covered?**

- 3rd party warehouse will manage stocktake themselves, any adjustments due to stocktake will be communicated to PLANTS for inventory adjustments.

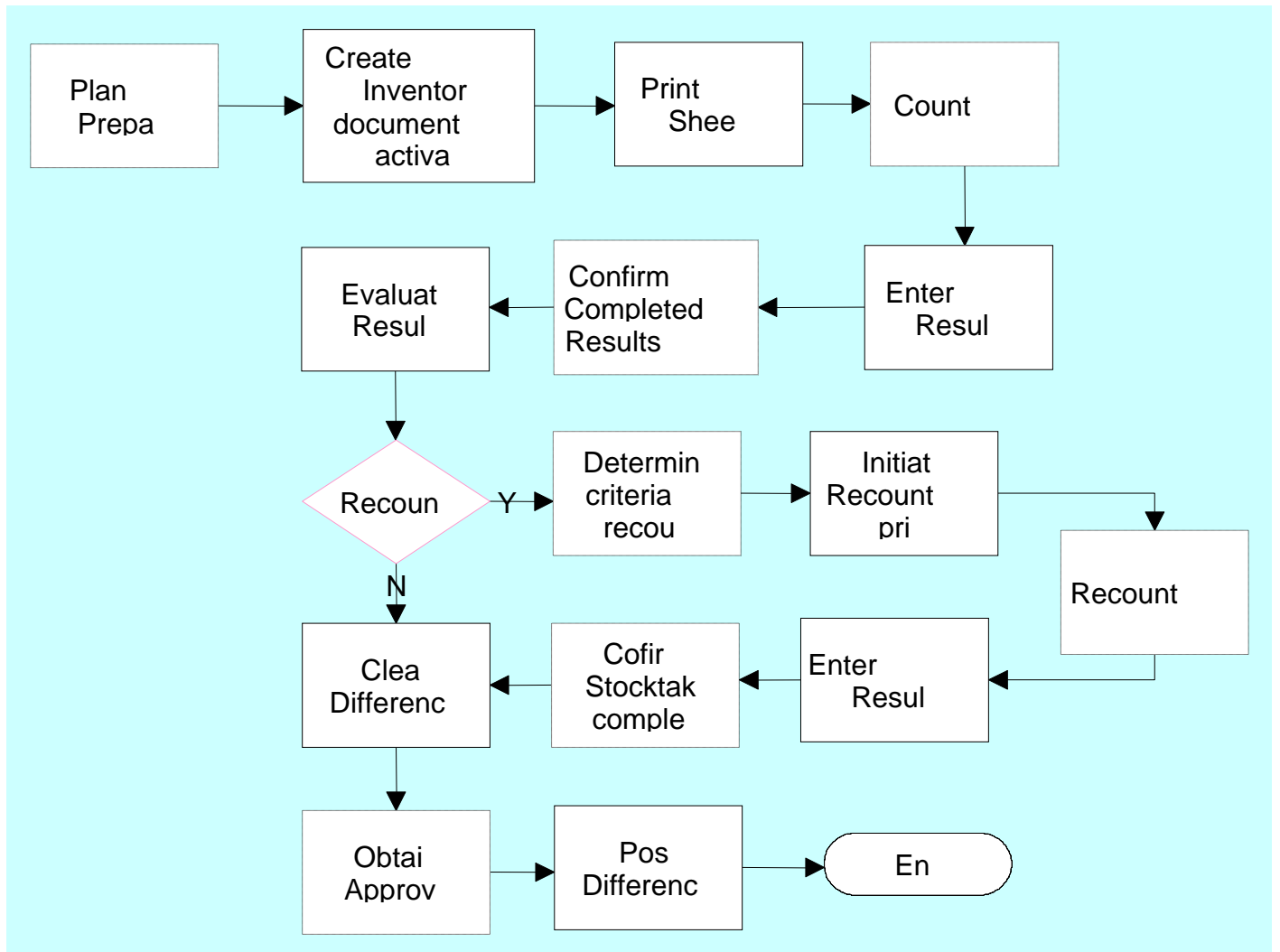
## 2. SUMMARY

### 2.1 Transaction codes

Transaction Title	Transaction Code
1. Carry out Continuous Inventory and Activate (WM)	LX16
2. Print (WM)	LI04
3. Enter Count (WM)	LI11
4. Evaluate Result (WM)	LX17
5. Recount if required (WM)	LI14
6. Enter Recount results (WM)	LI11
7. Clear Differences (WM)	LI20
8. Post Differences (WM)	LI21
9. Create Physical Inventory Document (IM)	MI01
10. Print Physical Inventory Document (IM)	MI21
11. Enter Count Results (IM)	MI04
12. Recount Physical Inventory Document if required (IM)	MI11
13. Enter recount results (IM)	MI11
14. Post Differences (IM)	MI07

### 2.7 Change Management

There is generally not much changes between how stocktaking is performed now and how it will be performed in SAP. The relevant persons will need to be trained in SAP transactions.



### **3. PROCEDURES**

#### **3.1 Continuous Inventory (WM)**

##### **About Continuous Inventory**

Plant 1 and Plant 2 use cycle counting by storage area for stocktaking. This stocktaking method allows the warehouse personnel to coordinate the stocktaking timing according to the warehouse activities.

For example, on days where activities are low and movements are minimal in certain storage areas, a stocktaking exercise can be planned and executed.

The ability to conduct a stocktake according to different storage areas (or rather storage types, in SAP) is known as the continuous inventory method. The various transactions involved with using SAP for stocktaking, is depicted below.

##### **3.1.1 Create Physical Inventory Document**

###### **3.1.1.1 Manual Task: Plan and Prepare**

###### **Who?**

- Warehouse staff
- Accountants?

###### **Why?**

- To have prepared a planned schedule of all areas to be counted, through-out the year, so as to make sure all items are counted a minimum of two to three times in that year. Also to have a hard copy of the planned schedule, for Corporate Services and external Auditors.

## How?

- Plan and prepare schedules, in all plants that perform Continuous Inventory

## Before you start

- Notify any one?

## How?

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > Physical inventory document > Create > Continuous Inventory
<b>Transaction code</b>	LX 16

## Carry out Continuous Inventory: Initial Screen

Use this screen to enter general details such as the plant and storage locations at which the stocktake will take place.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse Number</b>	Choose Warehouse number	To choose Warehouse to be counted
<b>Storage Type</b>	Choose Storage type	This will choose storage type to be counted
<b>Storage bin</b>	Choose storage bin range	To choose range of storage bins to be counted
<b>Ref. No:</b>	blank only if required	
<b>No of bins per Inv. record</b>	blank	If required
<b>Required no. of bins</b>	blank	If required



<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Bins with quantity less than</b>	blank	If required
<b>No activity since (no. of days)</b>	blank	If required
<b>Max No. of quants per bins</b>	blank	If required
<b>With dynamic storage bins</b>	blank	If required
<b>Only bins not yet counted</b>	blank	If required

**Only storage bins not yet counted – Defaults to x remove this indicator**

### **Options**

Select <Execute F8> to check details in screen Continuous Inventory: List sorted by number of quants.

### **Continuous Inventory List sorted by number of quants.**

Use this screen to check and sort details on the count to be carried out.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Selection field</b>	Place or remove x in selection field.	If you want location included on count sheet or not
<b>Sort by Date</b>	Select this field	If you require list to be sorted by date.
<b>Sort by storage</b>	Select this field	If you require list to be sorted by storage

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>section</b>		section
<b>Sort by No. of quants</b>	Select this field	If you require list to be sorted by No. Of quants.

## **Options**

Select <Activate documents> Take note of Inventory number?

### **3.1.2 Print Count Sheet**

#### **About Print Count Sheets**

Printing counts sheets:

- Count sheets can be in the A4 style Portrait or in Landscape ( optional)
- Once Count sheets have been activated they must be printed as the selected locations have been blocked for the count, and will not be unblocked until count has been completed.

#### **Who?**

- Warehouse nominated persons

#### **Why?**

- So as to carry out count.

#### **How?**

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > Physical inventory document > Print Whse Invent.List
<b>Transaction</b>	LI04

<b>code</b>	
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## Print Inventory List Screen

Use this screen to Print Inventory count sheet

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select Warehouse No:	Select Warehouse count sheet is relevant too
<b>Inventory record No:</b>	Select No.	Select No. to be printed
<b>Recount version</b>	Select No.	Leave blank when printing first counts sheets.
<b>Printer</b>	Select printer	To select what printer you want sheets to be printed on.
<b>List name</b>	Default	
<b>Print report</b>	Default	
<b>Print List</b>	Default	
<b>Print in Landscape</b>	Select	Select this field if you require printing in Landscape mode
<b>Print immediately</b>	Select	Select to print count sheets immediately
<b>Delete after print</b>	Select	Select if you require deletion immediately after printing or leave blank and deletion will take place after a retention period.
<b>New spool request</b>	blank	
<b>Transmission report</b>	blank	This is if we have hand held terminals
<b>Rec. system</b>	blank	
<b>Transmit</b>	blank	

Select <Enter> to print Warehouse Inventory list for Continuous Inventory

### **3.1.3 Enter Count Results**

#### **About Entering Count Results**

Introductory text goes here - brief description of what the procedure covers, including:

- variations
- conditions
- restrictions
- BG specific tasks

#### **Why?**

- To count total stock of whole plant a minimum of three times throughout the year.
- To check the variances between book stock and actual count.

#### **How?**

- Count all bins within the plant according to the schedule that is drawn up by the Warehouse and continuous counter.

#### **Before you start**

- Check with counter if counts complete.

#### **How?**

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > Physical inventory document > Count
------------------	--

	results > Enter.
<b>Transaction code</b>	LI11N

### **Enter Inventory Count Screen**

Use this screen to enter count results.

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select No:	To select which Warehouse count is to be entered.
<b>Inventory No:</b>	Select No:	To select which count sheets No: is to be entered.
<b>Recount version</b>	Select No:	Select No. 1 for first recount Leave blank when printing first count sheets.
<b>Count date</b>	Default	System automatically defaults to the day count is taken
<b>Inventory page</b>	blank	No of the Inventory list that the inventory was taken

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Single line</b>	Select	If you wish to enter items on a single line option.
<b>Double line</b>	Select	If you wish to enter items double-spaced lines.
<b>New item</b>	Select	If you wish to enter a new item
<b>Single entry</b>	Select	If you wish to enter items signally

### **Options**

E.g.

Select <Enter>

### **Enter Inventory Count - Overview Screen**

Use this screen to enter your counted qty.

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Quantity counted</b>	Enter counted qty.	To tell the system actual count qty.
<b>AUN (unit of measure)</b>	Default	
<b>Zero</b>	Mark a x in this box if bin is empty only mark	System needs to you to confirm when a bin is completely empty.

Field	Value (What is done)	Reason (Why)
	for empty bins otherwise leave blank.	

## Options

Select <Post> look for message at bottom left hand side of screen. (Inventory count added for Inventory No. ?

### 3.1.4 Evaluate Count Results

#### About Evaluating Count Results

Introductory text goes here - brief description of what the procedure covers, including:

- variations
- conditions
- restrictions
- BG specific tasks

#### Why?

- To ascertain what stock needs recounting.
- Confirm count completed and results entered so as to evaluate results

#### How?

- Count entered according to count sheet

#### Before you start

Prerequisites (not include the steps of any manual task, which has already been described).

## How?

<b>Menu path</b>	Logistics > Logistics Execution > Information System > Warehouse > Physical Inventory > With Bin Inventory Management > Different List of Open Inventory Documents
<b>Transaction code</b>	LX17

### Screen - Difference list per storage type

- Use this screen to check any differences from book stock

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select W/House No:	To select correct warehouse to Evaluated.
<b>Storage type</b>	Select S/Type	To select correct storage type to be evaluated.
<b>Storage bins</b>	Select or leave blank.	Optional if left blank and then select Execute (F8) complete count sheet provided.
<b>Deviation in %</b>	This is a percentage that can be put in to the system that will tell the system to only show differences above this %	We should leave this field blank, this will mean that all differences will be shown.
<b>List of uncounted bins</b>	Select this field to show a list of any bins not	To see if any bins in current count has not yet been counted.



<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	yet counted.	
<b>Output normal</b>	This is default by the system.	This will give you a compressed information list.
<b>Wide format</b>	Select to change default, output normal	This will give you an extensive information list, in landscape.
<b>Two-line format</b>	Select this field to have a double line format	This will give you detailed information on two separate lines.

### **Options**

Select <Execute (F8)> to bring up difference list.

### **Screen Difference per storage type**

Use this screen to check any differences between book stock and counted qty. Also differences in percentages.  
This screen displays a complete list of counted inventory with any differences.

You can also save or print this list. From this list you should consider to do a recount or not.

### **Options**

Select <Back> to exit this transaction.

Select <Back> to exit Difference list per storage type.

### 3.1.5 Process Recount

#### About Recount

Introductory text goes here - brief description of what the procedure covers, including:

- variations
- conditions
- restrictions
- BG specific tasks

#### Why?

- Recount for variance e.g. >20% difference, recount or recount all differences.
- To recount differences a second time to ensure count is correct.

#### How?

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > Count results > Recount.
<b>Transaction code</b>	LI14

#### Screen: Start Recount

Use this screen to initiate a recount sheet.  
This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select Warehouse No:	To select Warehouse for recount to be done.
<b>Inventory record</b>	Select Inventory	To select Inventory record to be

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	No:	recounted.
<b>Differences %</b>	Blank	When left blank all differences will be recounted.
<b>Per quant</b>	Blank	If you require total bin recounted leave blank.

### Options

Select <Enter or display list button> to move to the next screen, this will show you the differences that will be on the recount sheet, you will see this by the X's placed on the left hand side of the list. If you place the cursor on one of the lines on the list and then push the count information button, you will see individual item information re the difference.  
Select <Start recount > then print.

### Screen: Print Inventory List

#### How?

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > In Warehouse Management > Physical inventory document > Print Whse Invent.List
<b>Transaction code</b>	LI04

- Use this screen to print inventory list.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select	Select Warehouse

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	Warehouse No:	count sheet is relevant too
<b>Inventory record No:</b>	Select No.	Select No. to be printed
<b>Recount version</b>	Select No.	Select No. 1 for first recount Leave blank when printing first count sheets.
<b>Printer</b>	Select printer	To select what printer you want sheets to be printed on.
<b>List name</b>	Default	
<b>Print report</b>	Default	
<b>Print List</b>	Default	
<b>Print in Landscape</b>	Select	Select this field if you require printing in Landscape mode
<b>Print immediately</b>	Select	Select to print count sheets immediately
<b>Delete after print</b>	Select	Select if you require deletion immediately after printing or leave blank and deletion will take place after a retention period.
<b>New spool request</b>	blank	
<b>Transmission report</b>	blank	This is if we have hand held terminals
<b>Rec. system</b>	blank	
<b>Transmit</b>	blank	

## Options

Select <Enter> to print Inventory recount list.

### 3.1.6 Enter Recount Results

#### About Entering Recount Results

Introductory text goes here - brief description of what the procedure covers, including:

- variations
- conditions
- restrictions
- BG specific tasks

#### Why?

- To tell the system items counted in bins correct.
- To ensure no errors occurred on the first count, and to verify differences are correct.

#### How?

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > In Warehouse Management > Count results > Enter.
<b>Transaction code</b>	LI11N

#### Enter Inventory Count: Screen

Use this screen to enter recount quantities.  
This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select No:	To select which Warehouse count is to be re-entered.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Inventory No:</b>	Select No:	To select which count sheets No: is to be re-entered.
<b>Recount version</b>	Select No:	Select No. 1 for first recount Leave blank when printing first count sheets.
<b>Count date</b>	Default	System automatically defaults to the day count is taken
<b>Inventory page</b>	blank	No of the Inventory list that the inventory was taken
<b>Single line</b>	Select	If you wish to enter items on a single line option.
<b>Double line</b>	Select	If you wish to enter items double-spaced lines.
<b>New item</b>	Select	If you wish to enter a new item
<b>Single entry</b>	Select	If you wish to enter items signally

## **Options**

Select <Enter> to move to the next screen.

## **Enter Inventory Count - Overview Screen**

Use this screen to enter your counted qty.

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Quantity counted</b>	Enter counted qty.	To tell the system actual count qty.
<b>AUN (unit of measure)</b>	Default	
<b>Zero</b>	Mark a x in this box if bin is empty only marks for empty bins otherwise leave blank.	System needs to you to confirm when a bin is completely empty.

## **Options**

Select <Post> look for message at bottom left hand side of screen. (Inventory count added for Inventory No.?)

### **3.1.7 Clear Differences**

#### **About Clearing Differences**

Introductory text goes here - brief description of what the procedure covers, including:

- variations
- conditions
- restrictions
- BG specific tasks

#### **Why?**

- To update the system, this will correct the book stock and update relevant accounting.
- Confirm no more recounts necessary

## How?

- Ask all relevant parties

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > In Warehouse Management > Clear differences > Warehouse Management.
<b>Transaction code</b>	LI20

## Clear Differences in WM: Screen

Use this screen to have any differences cleared that were created during the count. This will release the blocked bins and normal orders can now be placed from these bins. This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No</b>	Select Warehouse No:	To clear differences from the correct Warehouse
<b>Inventory record</b>	Select Inventory record No.	To have the correct Inventory record to clear differences from.
<b>Difference %</b>	Blank	When left blank all differences will be cleared.
<b>Uncounted quants</b>	Select this depending on if you want to display quants uncounted or not.	If you mark this box it will show you all quants that have not been counted. If left blank it will not show uncounted quants.
<b>Foreground/background</b>	Blank	If you want the system to control the



<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
		transaction, leave this field blank.

## **Options**

Select <Enter or Display list > to move to the next screen, this will show you the Inventory list. On the left-hand side of the list, you must select the differences that need to be cleared.

We can do these two ways

1. By manually selecting each box
2. Move cursor to edit on the top menu bar and select all this will automatically select all boxes on the list.

Select <Clear> Note No. Of bins cleared on the bottom left hand side.

### **3.1.8 Post Differences**

#### **About Posting Differences**

- Once ok obtained from finance, this step is necessary to:
  - Rid of the quantity from the differences bin
  - Accounting entries will be posted

#### **Why?**

- Approval needs to be obtained prior to posting Differences.
- This will make all book stock match as well as Inventory value corrections made in accounts.

## How?

- After taking printout of all differences adjustment forms are to be sent of for approval.

## Before you start

Prerequisites Authorisation must first be obtained.

## How?

<b>Menu path</b>	Logistics > Logistics Execution > Internal Whse Processes > Physical Inventory > In Warehouse Management > Clear Differences > Inventory Management
<b>Transaction code</b>	LI21

## Clear Differences in IM: Screen

Use this screen to Clear differences for the Continuous Inventory Count.

This screen displays

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
<b>Warehouse No:</b>	Select Warehouse No:	To select warehouse for clearing differences.
<b>Storage type</b>	Select storage type	This is to select difference bins to be cleared. This will bring up the list of differences being cleared.
<b>Bins from/to</b>	blank	Storage type will give

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
		the complete list, leave this field blank
<b>Posting Date</b>	blank	Leaving this field blank, the system will take the current days date.
<b>No. Items in IM.</b>	blank	Leaving this field blank, means there is no limit to No. of items in IM
<b>Det. selection</b>	Default	A list is displayed from which you can initiate a further process
<b>Clear in background</b>	blank	Clear without further dialog
<b>Batch input</b>	Default	Generate batch input file
<b>Online background</b>	blank	Generate inventory adjustment documents immediately
<b>Errors foreground</b>	blank	Displays errors in foreground

## Options

Select <Enter or Display list> to move to the next screen  
This screen will show you the list to be cleared, make sure all lines are selected, then push Clear in background, taking note of No. Of quants cleared.

The system will post a material adjustment document in the background accordingly with the relevant accounting entries.

You can display the material adjustment document posted by displaying it in Inventory Management. Note: The movement type used for inventory adjustment due to stocktake is:

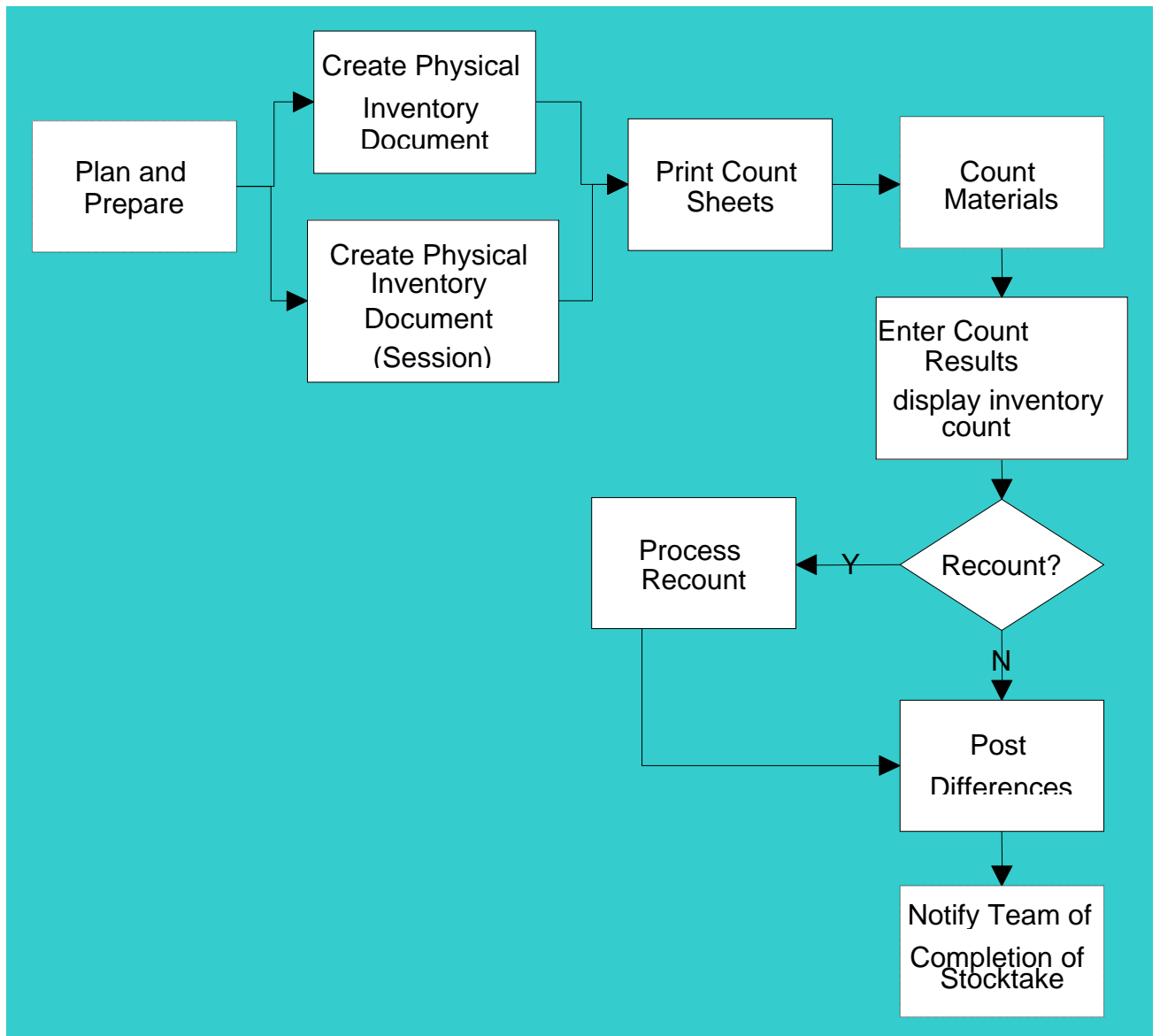
711 - Inventory loss  
712 - Inventory gain

## 3.2 Physical Inventory (IM)

### **About Physical Inventory:**

- Physical Inventory (IM) will be used in all locations that do not have the Material Management Module.
- Conditions: As above in Overview
- Restrictions: As (IM) run outside stores do not have storage bins when calling count sheets it is essential to add in material that need counting, this will produce count sheets, which will require the counter to count all material in that warehouse.
- Perform major stocktake by session. The normal procedure for a store location to perform a stocktake will be to compile a listing of materials within a plant, undertake the count and follow on functions as a combined entry. As opposed to a single entry. This will necessitate the composition of a list to undertake the process and in SAP terms this is called creating a session. It is used to automatically create physical inventory documents based on several parameters such as stores or rows of shelves.

In this, you enter the criteria that should determine which materials are to be inventoried in which plants and storage locations. The system then creates a physical inventory document for each plant and storage location with the materials that fulfil the criteria. This is the method to use to count a lot of materials in one input.



### 3.2.1 Create Physical Inventory Document

#### Who?

- Nominated Warehouse Persons
- Nominated Warehouse Persons

#### Why?

- To ensure that sufficient time has been set-aside for the count and required staff involved has been given sufficient notice to allocate time to participate effectively. Ensure that all people who normally require goods from the stores are also notified of the closure of the stores.
- This task initiates a batch session which creates the required physical inventory documents

#### How?

1. Create stocktake schedule and inform all staff of stocktake.

<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Sessions > > Create Phys.Inv.Docs > W/o Special Stock.
<b>Transaction code</b>	MI31

#### Batch Input: Create Phys. Inventory W/o Special Stock Screen

Use this screen to set the parameters for the stocktake.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
material	Type a material No or range of	

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	Material numbers for materials to be included in the stocktake, if necessary.	
Plant	Type the plant No or range of plant numbers to be included in the stocktake, if necessary	
Storage location	Type the storage location No or a range of storage location numbers to be included in the stocktake, if necessary.	
Material type	Blank	
Material group	Blank	
Storage bin description	Enter storage bin location or a range of bin locations.	
Material with delete	Select "Select" to include	When on materials with deletion.
Flag	Materials flagged for deletion if necessary.	flag will also be listed
Planned count date	Defaults to current date. Overtyping with an alternative date on which the stocktake is to take place.	Date the stocktake will occur.
Physical inventory ref.		Reference to external document
Set posting block	Select to disallow all goods	Indicator specifying that for the duration of




<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	movements of stock during the stocktake.	a physical inventory no goods movements involving materials listed in the physical inventory document can be posted.
Freeze book inventory	Select to ensure SAP records the current book inventory balance on the physical inventory doc. Any movement of stock occurring before the stocktake will be allowed, and variations taken into account, if necessary.	Indicator has the effect that the current book inventory balance is recorded in the physical inventory document. The system compares the counted stock with the frozen book inventory balance to determine any inventory differences. This means that goods movements can still occur and the system will allow and calculate these movements until the count is posted.
Unrestricted use	On/Off	Stock available for consumption.
In Q.A. inspection	On/Off	Include inventory in Q.A. inspection
Blocked	On/Off	Includes inventory blocked or held for any reason.
Include Mat. subj. to phys.inventory	Blank	Not used
Include batches subj. to phys. inventory.	Blank	Not used
General batch	Default checked.	This indicates that a

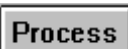
<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
input	Do not change	BDC session will be generated.
Issue Log	Default checked. Do not change.	This creates a issue log for the creation of the BDC session.
Names of sessions	Default 'INV_COUNT'. change to 'ZPR-STK-CNT'	This is the name of the BDC session that the system will use to automatically generate the physical inventory document with all the materials for that plant. The name must be changed as mentioned.
Max No Items/DOC.	Default to 250, representing the maximum number of items in a document. Overtyp with an alternate number, if necessary.	The number of line items per physical inventory document.
Storage bin description	Select to sort materials by storage bins, if necessary.	sorts by storage bin location.
Material group	Select to sort materials by material group in descending order, if necessary.	When on sorts in numerical descending order the material group.
New document created when group changed for sorting purposes.	Blank	New document created when group changed for sorting purposes.


**Options:**

Select the  icon to proceed.

The following screen will then show the number of items that a stocktake can occur on given the selection criteria that has been selected.

Click on the  button and a new screen will appear with the batch session to be processed. Select the batch that

you wish to process and click on the  button and a smaller screen will appear with a number of options.

Select Display Errors Only and click on the  button and your new batch has been created. A message will appear that the batching has been terminated. Note that no batch number is given at this stage.

**GOTO 3.2.2 TO PRINT PHYSICAL INVENTORY DOCUMENT****3.2.1.3 SAP Task: Create Physical Inventory Document****Who?**

- Nominated Warehouse Persons
- Nominated Warehouse Persons

**Why?**

Note: You use this transaction if you want to create physical inventory documents manually (as opposed to using sessions as per 3.2.1.2 above). This task is used to create a physical inventory document manually to record stocktake results.

**Before you start**

Determine which plant, storage location and materials are to be part of the stocktake.

## How?

<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Physical Inventory Document > Create.
<b>Transaction code</b>	MI01


### Create Inventory Document Initial Screen

Use this screen to enter general details such as the plant and storage locations at which the stocktake will take place

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Document Date	This will automatically default to the current date.	Date that the document will be created.
Planned Count Date	Defaults to current date. Overtyping with the date that the stock count will take place if necessary	
Plant	Defaults to current date. Overtyping with an alternative plant number at which the stocktake will take place, if necessary.	
Storage Location	Enter the Storage Location number where the stocktake will take place.	
Special Stock	Blank	No requirement for special stock within the client.
Posting Block	Select to specify that no material movements can be	Indicator specifying that for the duration of a

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	posted for any materials included in the stocktake	Physical Inventory no goods movements involving materials in the stock count can be posted. This field <b>MUST</b> be selected for the client.
Freeze Book Inventory	Select to indicate that book inventory balances of materials included in the stocktake are frozen. Select if the stocktake is to be done at a later date, e.g. on the weekend.	Indicators to specify that the book inventory balances of those items in a stock count that are yet to be counted are frozen. Use this if a stocktake is to be done later, say over the weekend
Batches w. del. Flag	Blank	No requirement for batches with deletion flag within the client.
Phys Inventory ref	Blank	No requirement for usage within the client.

### **Options**

Select  to move to the next screen

## Create Physical Inventory Document: New Items Screen

<b>Screen Number</b>	0721
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Use this screen to enter the individual material numbers of the materials to be included in the stocktake.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Material	Type the material number of the material to be included in the stocktake.	
Batch	Blank	No requirement for Batch within The client'.
Sty	Defaults to 1 - Warehouse.	Stock type for which a physical inventory is to be carried out
Aun	Blank	Indicator specifying that the unit of entry is proposed as default value for the entry of physical inventory counts results.
Bd	Blank	Indicator for automatic determination of batches

Post and note No: for printing of document.

A Physical Inventory document will have been created. It is suggested that the document number(s) be noted, as they will be utilised to print the document. The last document that has been created will also automatically default into the Document Display screen.

### 3.2.2 Print Count Sheets

#### 3.2.2.1 SAP Task: Print Physical Inventory Document

##### Why?

This report is used to print physical inventory documents

##### Before you start

A physical inventory document must exist before it can be printed.

##### How?

<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Phys. inventory doc > Print
<b>Transaction code</b>	MI21

##### Print Physical Inventory Document


Use this screen to specify the details of the physical inventory document to be printed.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Physical Inventory Document	Defaults to the most recently used physical inventory document number. Overtyping with an alternative document or range of documents if necessary.	
Fiscal Year	Enter the fiscal year.	To restrict the number of Physical Inventory Documents to be

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
		printed.
Plant	Defaults to the users plant number. oertype with an alternative plant number or range of plant numbers for which physical inventory documents should be printed, if necessary	To restrict the number of Physical Inventory Documents to be printed.
Storage Location	Defaults to the user's storage location. Oertype with an alternative storage location or a range of storage locations for which physical inventory documents should be printed, if necessary.	To restrict the number of Physical Inventory Documents to be printed.
Planned Count Date	Type a date on which the count is planned, or a date range in which the physical stocktake is planned, for which physical inventory documents should be printed if necessary.	Enter date for which count is planned, or if count is over several days enter start date and finish date.
Phys. inventory ref	Blank	No requirement for use by the client.
Phys. inventory documents	Select to print Physical Inventory documents according to the physical inventory status. If selected a Dialogue Box appears where you can select	




Field	Value (What is done)	Reason (Why)
	any of the following: <ul style="list-style-type: none"> <li>• Not yet counted</li> <li>• Partially counted</li> <li>• Completely counted</li> </ul>	
Phys. inventory items	Select to print Physical Inventory documents according to the physical inventory status. If selected a Dialogue Box appears where you can select any of the following: <ul style="list-style-type: none"> <li>• Not yet counted</li> <li>• Only counted</li> <li>• Posted</li> <li>• Recounted</li> <li>• Deleted</li> <li>• Only counted and deleted</li> </ul>	
Sort by special stock	Blank	Not required by The client'

Select  icon to go to the print detail screen.

### Print Window

Field	Value (What is done)	Reason (Why)
Output Device	Printer will default from User ID, change if necessary.	
Number of copies	Defaults to 1. Overtyping if necessary	
Page Selection	Blank	Not required.
Name	Automatically	

Field	Value (What is done)	Reason (Why)
	allocated by system	
Title	Blank	Not required.
Authorisation	Blank	Not required.
Print Immediately	X	Select this field to print the Physical Inventory documents immediately
Delete after print	X	Select this field to delete spool after print
New spool request	Blank	Not required.
Spool retention per	Defaulted by the system	Leave as is.
Archiving mode	Default by the system	Leave as is.
SAP Cover Sheet	Blank	Not required.
Recipient	Blank	Not required.
Department	Blank	Not required.

Select  to print the Physical Inventory document  
The printed document should be issued to delegated staff to perform the count.

### **3.2.3 Enter Count Results**

#### **3.2.3.1 Manual Task: Count Materials**

##### **Why?**

Recording the quantities held of stock items forms the basis of the verification process of a stocktake.

## How?

1. The stock on hand of each Material is counted and the quantity recorded on the printed physical inventory sheet.

### 3.2.3.2 SAP Task: Enter Count Results

## Why?

This task is used to update the quantity of stock recorded in SAP by entering the quantity actually counted during the stocktake off the printed physical inventory sheet.

## How?


<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Inventory Count > Enter
<b>Transaction code</b>	MI04

### Enter Inventory Count: Initial Screen

Use this screen to specify the physical inventory document to be used to update stock quantities in SAP.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Phys. inventory doc.	Defaults to the most recently used physical inventory document. Overtyping with an alternative physical inventory document if necessary.	
Fiscal year	Blank	Automatically determined by the system
Count date	Defaults to the	Automatically


<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
	current date. Overtyping with the date the stocktake took place.	defaults to the current date
Variance in %	Type an amount representing the percentage variation above which SAP should provide a warning message indicating that the physical stock count differs from the amount currently recorded if necessary.	Percentage variance between the quantity of stock counted and book inventory, above which the system is to issue a warning message on entry of count results

Select  to move to the detail screen

### **Enter Inventory Count: Collect. Processing**

Use this screen to enter the quantity of material counted during the stocktake.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Quantity	Type the quantity that was counted of each material. If the quantity counted is zero leave blanks.	
ZC	Select if zero stock is counted.	For zero counts, select the zero count indicators, the small box under "ZC".

Click on the  icon to post the document and update the amount of the material.

The Physical Inventory documents will be updated with the count entered.

After posting, check Display Inventory count, this will show you quantities entered, choose a line and push Physical Inventory History button, this will show you any discrepancies. When discrepancies appear you will need to create a recount document.

### **3.2.4 Process Recount**

#### **3.2.4.1 SAP Task: Create Recount Document**

##### **Why?**

A recount document is required to facilitate a report count of select stock.

##### **Before you start**

A decision must be made, by the Stores Inventory Co-ordinator, to recount physical inventory, due to discrepancies between quantities recorded in SAP and the initial physical stock count. The following tasks should be repeated before entering the recount.

- Task 3 : Print Physical Inventory Document
- Task 4 : Count Materials
- Task 5 : Enter Count Results
- Task 6 : Post Inventory Document

##### **How?**


<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Phys. Inventory Doc > Recount
<b>Transaction code</b>	MI11


## Enter Recount: Initial Screen

Use this screen to specify the physical inventory document for which the recount is to take place.

Field	Value (What is done)	Reason (Why)
Phys. inventory doc	Defaults to the most recently created physical inventory document. Overtyping with an alternative document number if necessary.	
Fiscal year	Current fiscal year	Automatically generated by the system
Planned count date	Enter date for which recount is planned	Defaulted to current date
Document date		Defaulted to current date
Posting block	Select to block the movement of materials listed in the physical inventory document	Indicator specifying that for the duration of a Physical indicator no goods movements involving materials listed in the Physical Inventory document can be posted
Freeze book inventory	Select to ensure SAP records the current book inventory balance on the physical inventory document. Any movement of stock occurring	Indicator has the effect that the current book inventory balance is recorded in the physical inventory document. The system compares the counted stock with the frozen book inventory

Field	Value (What is done)	Reason (Why)
	before the stocktake will be allowed, and variations taken into account.	balance to determine any inventory differences. This means that goods movements can still occur and the system will allow and calculate these movements until the count is posted
Phys. inventory ref.	Blank	Not used by the client.
Threshold value	Type a value, above which all inventories differences will be reselected.	Not used by the client.

Click on the  icon to view the selection screen.  
Select the items you wish to be included in the recount.

Select the  icon to post the recount.

Print recount document, count material again and enter the recount results in Transaction code MI04.


### How?

<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Inventory Count > Enter
<b>Transaction code</b>	MI04

### Enter Inventory Count: Initial Screen

Use this screen to specify the physical inventory document to be used to update stock quantities in SAP.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Phys. inventory doc.	Defaults to the most recently used physical inventory document. Overtyping with an alternative physical inventory document if necessary.	
Fiscal year	Blank	Automatically determined by the system
Count date	Defaults to the current date. Overtyping with the date the stocktake took place.	Automatically defaults to the current date
Variance in %	Type an amount representing the percentage variation above which SAP should provide a warning message indicating that the physical stock count differs from the amount currently recorded if necessary.	Percentage variance between the quantity of stock counted and book inventory, above which the system is to issue a warning message on entry of count results

Select  to move to the detail screen

### **Enter Inventory Count: Collect. Processing**

Use this screen to enter the quantity of material counted during the stocktake.



<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Quantity	Type the quantity that was counted of each material. If the quantity counted is zero leave blanks.	
ZC	Select if zero stock is counted.	For zero counts, select the zero count indicators, the small box under "ZC".

### **3.2.5 Post Inventory Differences**

#### **3.2.5.1 SAP Task: Post Differences**

##### **Why?**

To correct book stock and accounting files.

##### **How?**


<b>Menu path</b>	Logistics > Materials Management > Physical Inventory > Difference > Post
<b>Transaction code</b>	MI07

#### **Post Inv. Differences: Initial Screen**

Use this screen to specify the physical inventory document number.

<b>Field</b>	<b>Value (What is done)</b>	<b>Reason (Why)</b>
Phys. inventory	Defaults to the	

Field	Value (What is done)	Reason (Why)
doc.	most recently created inventory document number. Overtyping with an alternative document number if necessary.	
Fiscal Year	Blank	Automatically determined by the system
Posting Date		Automatically defaulted to current date
Threshold value	Blank	Not required by the client.

Select  to move to the detail screen

### **Post Inv. Differences: Selection Screen**

<b>Screen Number</b>	701
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Use this screen to select and post (to General Ledger) differences in amounts between stock counted and the quantity recorded in SAP.

### **3.2.5.2 Manual Task: Notify Team of Completion of Stocktake**

#### **Why?**

A debrief of the process will assist towards improved stocktakes in future.

**How?**

1. Notify team of completion of stocktake.
2. Review the stocktake process and communicate findings.
3. Notify customers that the stores are open again.

## 4. CONFIGURATION ELEMENT

<b>Transaction Code</b>	<b>IMG Path</b>
OMBH	Materials Management > Inventory Management and Physical Inventory > Physical Inventory > Default values for physical inventory document
OMCN	Materials Management > Inventory Management and Physical Inventory > Physical Inventory > Default values for Batch Input reports
OMC3	Materials Management > Inventory Management and Physical Inventory > Physical Inventory > Maintain copy rules for reference documents
SPRO	Materials Management > Inventory Management and Physical Inventory > Physical Inventory > Allow freezing of book inventory balance in storage location
OMJ2	Materials Management > Inventory Management and Physical Inventory > Physical Inventory > Define tolerances for physical inventory differences
OMLK	Logistics Execution > Warehouse Management > Activities > Physical Inventory > Define default values
OMNK	Logistics Execution > Warehouse Management > Activities > Physical Inventory > Define types per storage type
SPRO	Logistics Execution > Warehouse Management > Activities > Physical Inventory > Define differences and document limits
OMLL	Logistics Execution > Warehouse Management > Activities > Physical Inventory > Clear differences (Interface to Inventory Management)
OMMB	Logistics Execution > Warehouse Management > Activities > Physical Inventory > Maintain number ranges

## 5. UNIT TESTING

### 5.1 Continuous Inventory (WM)

Create Physical Inventory Document			
Task	Key data input	Expected result	Actual result

Print Count Sheets			
Task	Key data input	Expected result	Actual result

Enter Count Results			
Task	Key data input	Expected result	Actual result

Evaluate Count Results			
Task	Key data input	Expected result	Actual result

Process Recount			
Task	Key data input	Expected result	Actual result

Process Recount			
Task	Key data input	Expected result	Actual result

Enter Recount Results			
Task	Key data input	Expected result	Actual result

Clear Differences			
Task	Key data input	Expected result	Actual result

Post Differences			
Task	Key data input	Expected result	Actual result

## 5.2 Physical Inventory (IM)

Create Physical Inventory Document			
Task	Key data input	Expected result	Actual result

Create Physical Inventory Document (Session)			
Task	Key data input	Expected result	Actual result

Create Physical Inventory Document (Session)			
Task	Key data input	Expected result	Actual result

Print Count Sheets			
Task	Key data input	Expected result	Actual result

Enter Count Results			
Task	Key data input	Expected result	Actual result

Process Recount			
Task	Key data input	Expected result	Actual result

Inventory Differences			
Task	Key data input	Expected result	Actual result