

Process: ***Manage Periodic Inventory***

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01	NEW	08/01/2022

Process Scope

This process describes the stock counting activity that takes place every year at the end of the fiscal year (September). This process can also be executed every month or ad hoc. This can happen when the stock for a specific stock location needs to be checked partially or completely. The stock count is performed by a BCP employee in the WH.

The goal of such a stock counting activity is to align the current physical stock with the stock figures mentioned in D365.

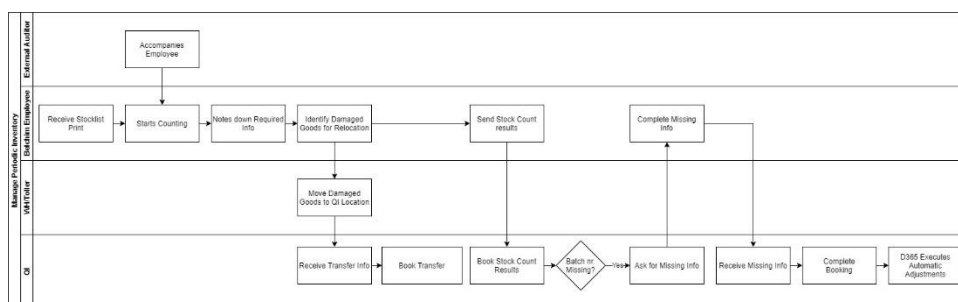
It is a good practice to check if all the counted stock is stored at the corresponding stock location with the correct batch number and in the correct physical state.

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Once the stock count is physically executed the counted volumes on the stock list from D365 will be entered in D365. The person involved will validate the counted stock figures in D365. Products where the counted volume per batch and per stock location are not aligned with the stock quantities in D365 will receive an automatic stock adjustment (positive or negative) so that the stock is aligned again.

Process Visualization

Process Steps



Step 1: Physical stock counting

There will be an annual stock inventory count in all the physical stock locations (External warehouses, package locations and tollers). Some Belchim members will visit physically the stock location to count all the stock that is present at that moment in that location. A member of an external audit company will be present as well to make sure that the counting activity takes place in an objective and correct manner.

The Belchim colleague will count for every pallet location of the warehouse, the quantity of stock that is physically present. For that he/she received a printout from D365 with the article numbers that he/she will need to count. Furthermore, this colleague will also write down the batch number for the stock on this location. This will be a blind count. This means that the person who oversees the counting does not know how much stock must be available in that location nor the product number or the batch number.

Where possible the person who is counting will also provide the production date (mentioned on the bottle or the box) and the country of origin of the product (if mentioned on the product itself).

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Products that are counted in a sellable location who have a visible malfunction or are damaged need to be transferred to a QI location for further investigation. E.g., a product that is damaged cannot remain in a location for a sellable product. The product needs to be relocated to a damaged product location.

This physical movement needs to be communicated to the QI planner so that the transfer (by a QI planner) can be executed in the system before the stock count results are booked in the system.

Link to work instruction ["WI Step 1"](#)

Step 2: Process Stock counting data

Once the physical stock count is executed the data will be sent towards the QI planner. The QI planner will enter the counted stock quantities per stock location in D365 including the stock transfers for damaged goods.

For all stock items where a batch number is missing the QI planner needs to ask for more information from the person who oversaw the physical count.

If a batch number is noted down but not yet known in D365, the country of origin and the production date need to be communicated as well otherwise the booking of the counting cannot be completed.

For all batches where the counted stock has deviations with the current stock in D365, an automatic stock adjustment (positive or negative) will be executed once the stock counting process is posted in D365.

Link to work instruction ["WI Step 2"](#)

Process Responsibilities

	Quality planner	SC Planner	Supply Chain manager	Quality Manager
1) Physical stock counting	All belchim people involved mainly field colleagues			
2) Process Stock counting data	R	C	I	A

Exceptions

Control points

- Verification that stock quantity counted aligns with the stock quantity.
- Verify that the sub stock location in D365 aligns with the physical stock location.
- Products with an expired batch number need to be transferred to a Destruction location.
- Products with a physical malfunction or damaged products need to be transferred to a Damaged product/QI location.

Definitions & Abbreviations

QI Location: Quality location.

Associated Tools & documents