

MITSUKOSHI MOTORS PHILIPPINES, INC.		
POLICY AND PROCEDURE		
POLICY TITLE :	SPARE PARTS INVENTORY COLLECTION AND PROCESS	Ref. No.
DEPARTMENT :	SPARE PARTS DEPARTMENT	SPD-16-04-1602
TO :	AREA MANAGER, BRANCH MANAGER, CASHIER	

## OBJECTIVES

1. To ensure accuracy and reliability of Spare Parts Inventory records of the branch.
2. To eliminate discrepancy between actual spare parts inventory on hand as against branch and Spare Parts Department records.
3. To guide the branch in maintaining inventory report and recording of spare parts movements.
4. To establish branch accountability on the spare parts inventory at any given time.
5. To ensure that the submission of the inventory report is on time.

## POLICIES

1. It is the responsibility of the branch to record spare parts inventory movement such as but not limited to the following:
  - 1.1. Delivery from Spare Parts Department;
  - 1.2. Spare Parts Sales;
  - 1.3. Inter-Branch Transfer; and
  - 1.4. Beginning and ending inventory of each items.
2. It is the responsibility of the Branch Manager to submit Monthly Inventory Report in excel format and scanned copy of the aforesaid report duly signed by the Branch Manager and Cashier before the fifth(5) days after month end.
3. It is the responsibility of the Area Manager to collect all the Branch Inventory and they will need to submit to their designated accounts executive from the Spare Parts department every 5<sup>th</sup> of the following month.
4. Monthly report with incomplete information and no signature of concerned branch personnel will be is not allowed and will be considered as non-submission of report.
5. The Branch Manager is accountable for the monitoring and implementation as well as attending to any other concerns regarding spare parts, thus, he will be held liable for all missing parts.
6. Regular physical inventory count must be conducted to ensure that the spare parts inventory on hand must equal with the branch inventory records.

## PROCEDURE

1. Cashier
  - 1.1. Post daily transactions of spare parts in the Inventory Report Worksheet in excel format (See sample format). The transactions in and out will be from 1<sup>st</sup> day to month end.

Prepared by: Pete Charlotte Cable	Approved by: Richmond Ngan Executive Officer	Effective April 2016	Page 1 of 5
--------------------------------------	--	-------------------------	-------------

1.1.1. Transaction-In

1.1.1.1. Delivery from Spare Parts Department; the source document will be the Head Office Transmittal Receipt (HTR);

1.1.1.2. Inter-Branch Transfer from other Branch; the source document will be the Receiving Report issued by the branch; and

1.1.1.3. Sales Return; adjustment of the sales.

1.1.2. Transaction-Out

1.1.2.1. Sales; source document will be Sales Invoice-Spare Parts issued by the branch.

1.1.2.2. Inter-Branch Transfer to other Branch; source document will be Transmittal Report issued by the branch; and

1.1.2.3. Back Loading to Spare Parts Department; source document will be Transmittal Report issued by the branch.

1.2. After last transaction at month end, convert the Inventory Report Worksheet to Monthly Inventory Report by hiding the daily transaction columns and print the report thereof.

1.3. Form Explanation-Inventory Report Worksheet

Particulars	Explanations
1. Dealer	: Name of the dealer where the branch was grouped, e.g. Daan Hari Motors Corp., V8 Racers, etc.
2. Branch	: Name of branch making the report.
3. For the Month of	: Specific month covered by the spare parts inventory report.
4. Model	: Specific motorcycle model where the spare part is being used.
5. SKU#	: Stock Keeping Unit (SKU) number of the spare part being ordered by the branch.
6. Description	: Clear and complete description of the spare part included in the inventory report.
7. SRP	: Suggested Retail Price of the spare part being reported.
8. Inventory Beginning	: Quantity of the spare part included in the inventory report at the beginning of the month.
9. Daily Transaction-In	: Spare parts transfers from to the branch from Spare Part Department and/or other branch.
10. Daily Transaction-Out	: Sales of spare parts to end consumers and/or transfer to other branches or return of parts to Spare Part Department.
11. Total-In	: Cumulative total of delivery to the branch of parts from Spare Part Department and transfer from other branches.
12. Total- Out	: Cumulative total of sales, delivery to other branches and return of parts to Spare Parts Department for the month covered.
13. Inventory End	: Quantity of the spare part included in the inventory report at the end of the month.
14. Total Amount	: Ending inventory times SRP (# 7x # 13).
15. Prepared by	: Signature over printed name of branch cashier who prepare the report.

Prepared by: Pete Charlotte Cable	Approved by: Richmond Ngan Executive Officer	Effective April 2016	Page 2 of 5
--------------------------------------	--	-------------------------	-------------

16. Noted by \_\_\_\_\_ : Signature over printed name of BM/OIC.

1.4. Based on the Inventory Report Worksheet, hide the daily transactions, 1<sup>st</sup> to end of the month leaving only the following:

- 1.4.1. Model
- 1.4.2. SKU No.
- 1.4.3. Description
- 1.4.4. SRP
- 1.4.5. Inventory-Beginning
- 1.4.6. Total-In
- 1.4.7. Total-Out
- 1.4.8. Inventory-End
- 1.4.9. Total Amount

1.5. Print the Monthly Inventory Report.

1.6. Print name and affix signature in the "Prepared by" portion of the Monthly Inventory Report.

1.7. Forward Monthly Inventory Report to Branch Manager for review before submission to Spare Parts Department.

2. Branch Manager

2.1. Receive printed Monthly Inventory Report from the cashier.

2.2. Review the report and if everything is in order, print name and affix signature in the "Noted by" portion.

2.3. Return to cashier for scanning and submission of the Monthly Inventory Report to their Area Manager

3. Area Manager

3.1. Ensure the timely collection of reports from their assigned branches.

3.2. Review if the inventory submitted is completed.

3.3. Submit the correct report to their assigned account executive within every 15<sup>th</sup> of the following month.

Prepared by: Pete Charlotte Cable	Approved by: Richmond Ngan Executive Officer	Effective April 2016	Page 3 of 5
--------------------------------------	--	-------------------------	-------------

## MONTHLY INVENTORY REPORT

Dealer								
Branch								
For the Month of								
INVENTORY REPORT								
Model	SKU No.	Description	SRP	Inventory Begin	Total In	Out	Inventory End	Total Amount
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
					0	0	0	-
TOTAL				0	0	0	0	-
Prepared by:		Noted by:						
Cashier		Branch Manager						

Prepared by:  Pete Charlotte Cable	Approved by:  Richmond Ngan Executive Officer	Effective  April 2016	Page 4 of 5
--	--	-----------------------------	-------------

## INVENTORY REPORT WORKSHEET

[illegible]