

Although POSexpress is designed to track inventory in real time, it is recommended that retailers perform occasional physical inventory counts to account for any shrinkage due to user errors, theft, etc. The following are step-by-step instructions for performing the physical inventory process. Here are a few important notes to consider:

1. Although the software is designed to account for sales, returns and receiving that take place during the physical inventory process, it is best to select a relatively slow business time to perform the physical count to ensure accuracy.
2. Be sure to perform all the steps in the order provided in the software.
3. If using a hand-held data collector for counting inventory, it is a good practice to replace the batteries in the hand-held unit before each inventory to avoid data loss.
4. If using a hand-held data collector to count a large store, download information to the PC in small batches to avoid large gaps of time during the process.

Below is the step-by-step procedure:

1. From the main menu of POSexpress, click on the INVENTORY button.
2. From the inventory module, click on the PHYSICAL INVENTORY button on the bottom of the screen

Physical Inventory Wizard

Start Up

- Step 1: Zero Physical Inventory
- Step 2: Print out a counting form
- Step 3: Data Entry
- Step 4: Validate Data
- Step 5: Finalize Physical Inventory

Welcome to Physical Inventory Wizard...

What would you like to do?

Start New Physical Inventory Process

Resume to the last step

<<Back Next>> Close

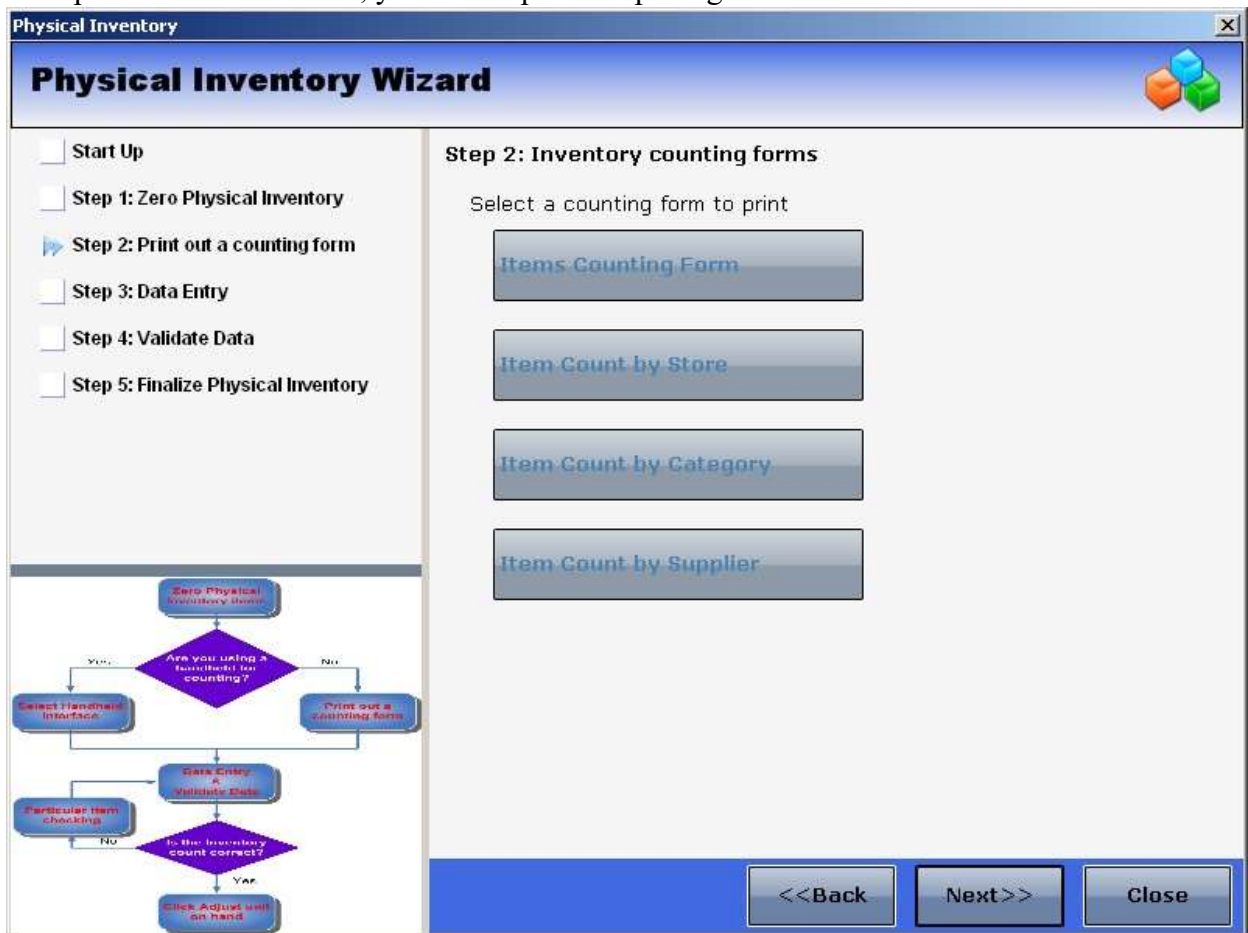
```
graph TD
    A[Zero Physical Inventory] --> B{Are you using a handheld for counting?}
    B -- Yes --> C[Select Handheld Interface]
    B -- No --> D[Print out a counting form]
    C --> E[Data Entry & Validate Data]
    D --> E
    E --> F{Is the inventory count correct?}
    F -- No --> G[Particular Item checking]
    G --> E
    F -- Yes --> H[Click Adjust unit on hand]
```

1. To begin a new physical inventory process, click on the first button that reads START NEW PHYSICAL INVENTORY PROCESS.
2. Now, you must indicate whether you are completing a complete physical inventory of all stores, counting just one individual store, or counting just one individual category. For our example, let's assume we are only counting one store (one location) at the current time.

3. Once you have defined what you will be counting, click the RESET PHYSICAL INVENTORY COUNT TO ZERO button. This will establish a starting point for the physical inventory process. It WILL NOT EFFECT YOUR CURRENT UNITS IN STOCK IN THE SYSTEM.
4. You will receive a confirmation that x number of items were re-set. In my example, I only have one product that exists in the “Galleria at Pgh Mills” store.



5. Click the NEXT button.
6. If you are not using a hand-held portable data collector, you can select which counting form best fits your current store layout. For example, if your items are grouped on the rack by category, then print a counting form that is grouped by category. If you are using a portable data collector, you can skip this step altogether.



7. Use the printed forms or the hand-held data collector to count your inventory.
8. Enter the data into the system

Physical Inventory Input ✕

Store: Supplier:

Category:

ItemCode	Phy Inv. Date	Count	Update Date	Notes
WS-MomHeart	5/19/2008	5	05/19/2008 4:20 PM	

Total: 1 Item(s)

- Once all items have been counted and entered into the system, you can use a Variance Report to compare what was counted (physically) to the current units in stock in the system.

Physical Inventory

Physical Inventory Wizard

- Start Up
- Step 1: Zero Physical Inventory
- Step 2: Print out a counting form
- Step 3: Data Entry
- Step 4: Validate Data
- Step 5: Finalize Physical Inventory

Step 4: Validate Data

Select a comparing report.

- Inventory Variance Report By Store
- Inventory Variance Report By Supplier
- Inventory Variance Report By Category
- Physical Inventory Report

Select adjust count by Item code.

- Adjust Count by Item Code

Flowchart:


```
graph TD; A[Zero Physical Inventory Wizard] --> B{Are you using a handheld for counting?}; B -- Yes --> C[Select Handheld Interface]; B -- No --> D[Print out a counting form]; C --> E[Data Entry & Validate Data]; D --> E; E --> F{Is the inventory count correct?}; F -- No --> G[Particular item checking]; G --> E; F -- Yes --> H[Click Adjust unit on hand];
```

<<Back Next>> Close

Report Name: Inventory Variance By Store

Zoom: [] Print Goto Refresh Search Auto email Report Sort Report Filter ExcelRecord Export Report

Main Report



Inventory Variance By Store

5/19/2008 4:22:09PM

Store	Product Code	Product Name	Inventory Date	*Units In Stock	Physical Inventory	*Variance	Avg Unit Cost	Variance Cost
Galleria at Pgh Mills								
Company: American Country Collection								
	WS-MomHeart	Wood Sign Handmade - A Mother's Heart		0	5	5	6.54	32.70
Variance Totals for Galleria at Pgh Mills:								32.70
Grand Totals:								32.70

Current Page No.: 1 Total Page No.: 1 Zoom Factor: 100%

10. At this point, you should review the variance report to check for counting mistakes, shrinkage, etc.

11. Once you have investigated any questionable items on the variance report and are comfortable that the physical count is 100% correct, it is time to finalize the process to make your units in stock reflect your physical count. You do this by clicking the large button that reads "Adjust Units in Stock."

Physical Inventory

Physical Inventory Wizard

- Start Up
- Step 1: Zero Physical Inventory
- Step 2: Print out a counting form
- Step 3: Data Entry
- Step 4: Validate Data
- Step 5: Finalize Physical Inventory

Adjust units in stock to your physical count

Select Store: Galleria at Pgh Mills

Adjust Units In Stock

```
graph TD; A[Zero Physical Inventory Done] --> B{Are you using a handheld for counting?}; B -- Yes --> C[Select Handheld Interface]; B -- No --> D[Print out a counting form]; C --> E[Data Entry & Validate Data]; D --> E; E --> F{Is the inventory count correct?}; F -- No --> G[Particular item checking]; G --> E; F -- Yes --> H[Click Adjust unit on hand];
```


<<Back Close

12. Your current units in stock will now reflect the quantities you entered during the physical inventory process.

Report Name: Inventory \$ by Category

1 Zoom: Print Goto Refresh Search Auto email Report Sort Report Filter ExcelRecord Export Report

Main Report



Inventory Totals By Sales Category

To: 5/19/2008 11:5 4:25:47 pm 05/19/2008

Store Name	Product code	Product name	Qty per unit	Last unit cost	Ave unit cost	Units in stock	Cost of goods in stock	Units on order	Reorde level	Retail price	Total retail value	Potential profit	Company name
Store Galleria at Pgh Mills													
Category Wood Signs - Handmade													
WS-MomHeart		Wood Sign Handmade - A Mother's Heart	1	6.54	6.54	5	32.70	0	0	15.99	79.95	47.25	American Country Collection
Dollar totals category for: Wood Signs - Handmade						<u>5</u>	<u>32.70</u>				<u>79.95</u>	<u>47.25</u>	
Dollar totals store for: Galleria at Pgh Mills						<u>5</u>	<u>32.70</u>				<u>79.95</u>	<u>47.25</u>	
Grand totals:						<u>5</u>	<u>32.70</u>				<u>79.95</u>	<u>47.25</u>	

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