IAC.02.06. Slow turn inventory reserve

Process: Inventory Valuation

Responsibility area: Internal Control Monitor

Risk

Slow turn inventory reserve do not comply with group rules

Objective

FRA updates every year slow turn inventory reserve calculation procedure for his/her plant(s)

Process description

Inventories shall be depreciated at least quarterly based on the age and movements of the material. Proposal will be provided to FRA for analysis (* Possible to be done by site as well)

Control description

SBS is preparing and sending the report with the Inventory reserves to the FRA for analysis and validation

Scope:

WP2 & PF2

Frequency

Quarterly - Last working day of March, June, September, November (Hardclose)

Control owner

Finance Responsible Assigned (FRA)

References

- Inventory Impairment
- OP.109

Content by label

There is no content with the specified labels

Control evidences

- IAC 02.06 Slow turn inventory reserve.xls
- Reports analyzed with comments
- Updated reserve decision

Guideline

Download the file IAC 02.06 Slow turn inventory reserve.xls

There are 4 sheets in the file

2 sheets must be filled:

1. **"Reserve FRA check-list" in english or in french**

Site	
Controller's name	
Date	
Period	

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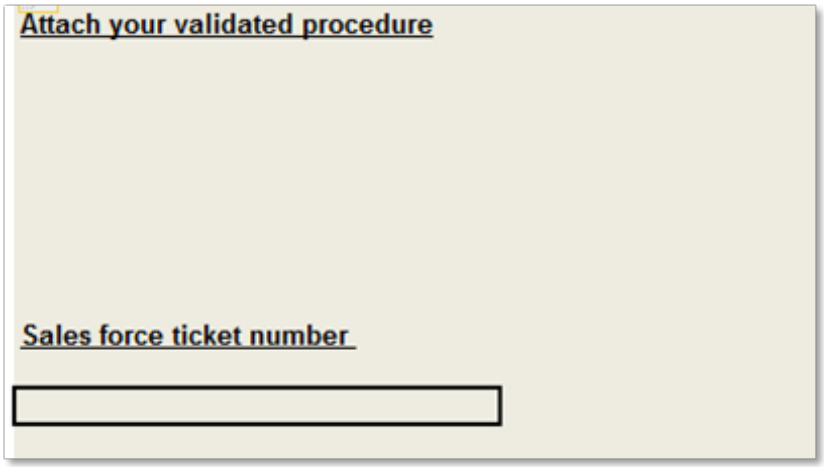
Stock Reserve Check-List / FRA
IAC 02.06

N°	Control description	Done ?			Comments (compulsory for No and N/A)	Control Evidence (optional)
		Yes	No	N/A		
1	Manufacturing supplies: - Slow turn inventory reserve is based on ZWFA12A.					
2	Manufacturing supplies: - There is a procedure at plant level describing how items that have to be excluded from slow turn reserve are identified. - The strategic spare parts list must indicate the code and the amount considered as strategic.					
3	Manufacturing supplies: - Based on above mentioned procedure, the list of items excluded from slow turn reserve is revised every year by the maintenance manager and the plant controller and posted on the eroom.					
4	All products: There is an inventory list of status, warehouses, items or batch codes to be depreciated.					

2. Procedure



Start to fill :

1. the site
2. the controller's name
3. the date
4. the period

Then answer "Yes" "No" or "N/A" to confirm that each control is performed .

If the answer is "No" or "N/A", it is compulsory to add a comment in column H

It is possible to add a control evidence (attachment or a link)

Site	1234 xxxx
Controller's name	A. xxx
Date	30/06/2016
Period	2016

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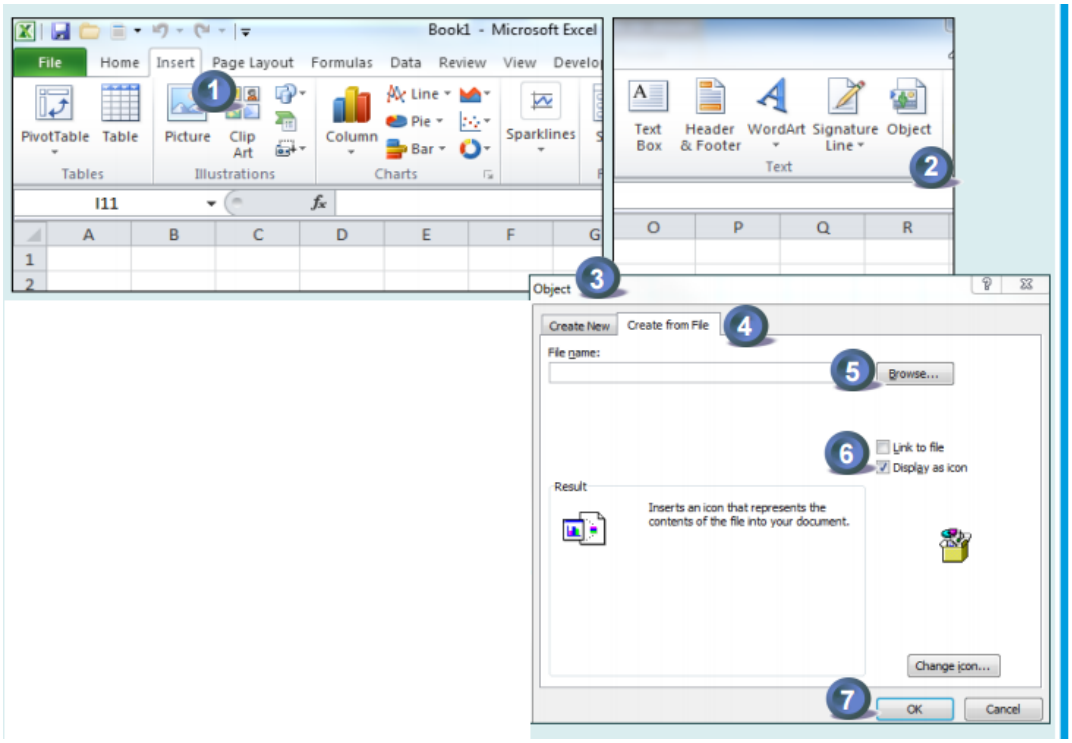
Stock Reserve Check-List / FRA
IAC 02.06

N°	Control description	Done ? Yes	Done ? No	Done ? N/A	Comments (compulsory for No and N/A)	Control Evidence (optional)
1	Manufacturing supplies: - Slow turn inventory reserve is based on ZWFA12A.	Yes				
2	Manufacturing supplies: - There is a procedure at plant level describing how items that have to be excluded from slow turn reserve are identified. - The strategic spare parts list must indicate the code and the amount considered as strategic.	No			We don't have strategic spare parts. It was approved by the process expert	approval email
3	Manufacturing supplies: - Based on above mentioned procedure, the list of items excluded from slow turn reserve is revised every year by the maintenance manager and the plant controller and posted on the eroom.	Yes				
4	All products: There is an inventory list of status, warehouses, items or batch codes to be depreciated.	Yes				

1. Attach your validated procedure describing how items excluded from slow turn reserve are identified

1. Choose "insert"
2. Click on the "Object" button
3. This window will open
4. Select "Create from File"
5. Add you file by clicking in "Browse"
6. Select "Display as icon"
7. Select OK



2. Enter the Service One ticket that was used to submit the calculation to the service center.

Attach your validated procedure

Sales force ticket number

123456

A check-list | Français-Reserve FRA check-list | **Procedure**