E. Validation and accounting of physical inventory adjustment

Responsible: Finance responsible assigned

Any adjustment of the inventory valuation related to an inventory count is communicated to a controller (plant, function or business) who must validate based on memorandum of inventory and ensure proper accounting record. When systems are set up in a way that links automatically counting and postings, compensating a posteriori control is implemented.

Accounting of physical inventory adjustment so that is will be reported in BFC in the relevant balance sheet account(s) under subtotal A300 Inventories agai nst R27900 Miscellaneous production cost