

- The Inventory Module is used to manage the inventory record and manage item movements.

## Inventory Module

### Items and bills of material

A number of values, which affect the way in which individual inventory items are allocated, can be specified in the inventory item base record. The following can be defined:

- Whether negative inventory is permitted
- How often, and when, inventory items are allocated
- Whether allocation should apply to the entire inventory or to individual lines only
- Whether allocation should cover a freely-selectable period
- Whether allocations should be effected according to minimum/maximum inventory
- Whether allocations are to be effected manually
- Whether serial numbers are required for inventory items
- How the automatic generation of batch/serial numbers should be effected in this case

Inventory item descriptions can be created in any language. The user can specify suppliers and delivery times, as well as the name of the employee who will be allocating the inventory item. Inventory item numbers are used for inventory items, services, and bills of materials.

Bills of materials can contain various specifications. Variants, which have a common bill of materials, contain inventory items with different inventory item numbers. The (base) bills of materials can be updated



using a single keystroke. The user can also choose to simulate cost prices using bill of materials calculations.

### **Replacement**

The Inventory module has a function for REPLACING bills of material. With this function the user can, for instance, replace an obsolete inventory item number with a current one in all bills of materials with just a single action.

### **Budget**

Inventory budgets can be prepared for each item number and for each customer group and the results transferred to the Ledger budget.

### **Parameters**

The Inventory Module is to a great extent parameter-controlled, which means that the user can adapt the standard module to obtain the functionality which best suits their requirements.

### **Inventory locations**

Inventory levels can be allocated and settled at any number of locations. For every inventory location, the inventory level is divided into inventory on order and actual inventory available.

### **Inventory levels**

Inventory levels are managed on the basis of item transactions. Item transactions have three date fields: date of expected movement, date of actual movement, and date of financial movement. This guarantees consistency when picking from inventory.

Batch and serial numbers can be traced at transaction level.

### **Inventory requirement calculation**

The inventory requirement calculation function produces the optimum inventory item flow on the basis of the allocation rules set up for the individual items, as well as the delivery and supply situation for the total time period in question. The inventory requirement calculation allows the user to make action settings and futures settings.

### **Action settings**

An action setting is used to determine the activities/events that can ideally be executed for the current volume of orders/purchases. For example, if a sales order is deferred for later delivery, the action setting ensures that purchases and production are also deferred in order to minimize inventory in trade. Other actions may, for instance, cause existing orders to be accelerated or increased rather than having to create new ones.

### **Future settings**

A future setting calculates the effects of materials not being available in time. Delays are transferred to production and sales orders, where they create a basis for deciding between an alternative supplier or the planning of production in the MRP Module.

## Report as finished

Bills of materials can be finished without production orders. When the bills of materials are reported as finished, the quantity and value of the raw materials inventory are reduced accordingly, while the inventory of finished inventory items is increased.

## Picking from inventory

The picking function is located in a special picking worksheet. This worksheet automatically calculates any discrepancies between the actual inventory level and the inventory level stored in the Inventory Module.

## Actual cost price

If inventory items with unknown cost prices are sold or otherwise used, it is possible to subsequently calculate the cost value and the contribution margin for invoices and production. This recalculation may be done according to the FIFO, LIFO or average cost price methods.

## Inventory value adjustment

Inventory value adjustments can be made for both inventory levels and transactions (including 'sold' inventory items).

## Dynamic statistics

Statistics (inventory item statistics, purchase statistics and purchase order statistics) are generated in dynamic screen displays. The user specifies the delimitation values at the time of calculating the statistics. These statistics are then shown in two columns for two freely selectable periods. A third column can be used to display a number of optional

calculations based on the data from the first two columns.

Statistics can also be generated and displayed as the result of a periodic batch job whose contents have been defined by the user. These types of statistics are immediately accessible, but their relevance depends on how often the statistics are updated. Data can be represented graphically as well as exported.

## Inventory receipts

Upon receiving items to the inventory, these can be stamped with a batch number. This enables you to track items whether they are purchased, received or ordered.

## Inventory models

You can work with different inventory models – optional, FIFO, LIFO and average cost. Your choice will influence how cost value is calculated. Selecting 'optional' inventory model means that you are free to select when calculating cost value.

Following is a selection of reports available in the Inventory Module:

- Labels
- Supplier lists
- Inventory account statements
- Budgets
- Statistics
- Price lists (including customer-specific price lists)
- Inventory level lists
- Inventory value lists



Stock

- Ledger reconciliation lists
- Supply capacity lists

### List of functions

- Individual prices
- Discounts
- Net inventory requirement calculation
- Picking worksheet
- Open transaction
- Allocation by physical inventory
- Services
- Negative inventory levels
- Four allocation methods
- Alternative inventory item numbers
- Bills of materials/inventory items/services
- Bill of materials variants
- Flexible requirement of open transaction marks
- Any number of inventory locations
- Allocation by inventory location
- Serial number and batch number control
- Inventory reconciliation by date
- Inventory requirement calculation
- Action setting
- Futures setting
- Replacement of bills of materials
- Inventory budget
- Bills of materials reported as finished
- Picking (inventory level)
- Recalculation of cost prices
- Inventory value adjustments
- Dynamic statistics
- Predefined statistics

### Navision XAL – an integrated business solution

All modules of Navision XAL are tightly integrated, and work together to form the heartbeat of your company.

The Inventory Module is central to Navision XAL. Like the Ledger Module, the Inventory Module can be used on its own, but many features only become relevant when it is used in combination with other modules. The module is integrated with the Ledger Module (through the accounting of item movements), the Purchase Module, the Sales Order Module, the MRP Module (Materials and Resource Planning) and the Project Module.

The Inventory module integrates to... XXX  
Functionality described in this fact sheet is contained in the following modules:

- Inventory 1
- Inventory 2
- Requirement calculation

For more information on Navision XAL integrated business solution, please also see the other brochures.

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