28.13. Fixing incorrectly received stock

The problem

Sometimes goods receiving officers will accidentally receive stock incorrectly in any of a number of ways including:

- Too little stock was recorded as received
- Too much stock was recorded as received
- Stock of an incorrect item was recorded as received
- The stock was recorded as received from the incorrect supplier
- The stock was recorded as received from the correct supplier, but against the wrong PO

These can all be corrected.

The methods described here will clearly identify the original error. If these methods are not followed, then a stocktake will correct the stock count, but will not help to identify the source of the original error.

Any user activity affecting stock needs to have records that management or an auditor can inspect. As with paper records, it is not appropriate to edit historic records. Instead, additional records are entered to correct historic mistakes. Management and auditors will then be able to see records of the original mistake and the corrective actions. To assist with this, clear details of what is happening should be recorded in the **Comments** field of the 'correcting' transactions.

GR+SI receipts

- Stock received on the basis of a purchase order should come in to stock through a Goods Receipt which will be processed into a Supplier Invoice. For the remainder of this discussion, these transactions will be referred to as '**GR+SI receipts**'.

SI only receipts

- Stock that is not being received on the basis of a purchase order will not have a Goods Receipt and should have come in to stock through a Supplier Invoice directly. For the remainder of this discussion, these transactions will be referred to as '**SI only receipts**'.

Too little stock was recorded as received

If too little stock was recorded as having been received, this can be corrected by receiving more of the same stock.

GR+SI receipts

1. Create a new Goods Receipt for the additional stock. Enter necessary details in the **Comment** field, e.g. `Receipt of additional stock not recorded as received on GR ####` where #### is the number of the GR which had the incorrect record.
2. Process the resulting Supplier Invoice. Again, enter necessary details in the **Comment** field, e.g. `Receipt of additional stock not recorded as received on SI ####` where #### is the number of the SI which had the incorrect record.

SI only receipts

1. Create a new Supplier Invoice. Enter necessary details in the **Comment** field, e.g. `Receipt of additional stock not recorded as received on SI ####` where #### is the number of the SI which had the incorrect record.

Too much stock was recorded as received

If too much stock was recorded as having been received, this can be corrected by creating a Supplier credit to return the goods to the supplier. While your store never actually received this stock, this transaction will correct your stock count and the **Comment** field will explain why this transaction has been created.

- Supplier credits are not associated or linked with any Purchase Orders, Goods Receipts or Supplier Invoices. Therefore, they do not amend any lines on those original documents. Nor should they - those documents are historic records which should not be amended later.
- Because Supplier credits are not associated with Purchase Orders, they do not impact on the mSupply record of Outstanding purchase order lines.
- Because Supplier credits are not associated with Supplier Invoices they do not impact directly on amount payable to the supplier for the Supplier Invoice. However, the value of the Supplier credit will be recorded against the amount owing to the supplier.
- After creating a Supplier credit, both invoices will exist together:
    - The Supplier Invoice that brought in the stock
    - The Supplier credit that removed the stock

GR+SI receipts

1. Create a new Supplier credit for the excess stock. Enter necessary details in the **Comment** field, e.g. `Return of additional stock recorded as received on GR ####` and `SI ++++` where #### and ++++ are the numbers of the GR and SI which had the incorrect record.

SI only receipts

1. Create a new Supplier credit for the excess stock. Enter necessary details in the **Comment** field, e.g. `Return of additional stock recorded as received on SI ####` where #### is the number of the SI which had the incorrect record.

Stock of an incorrect item was recorded as received

If stock of an incorrect item was recorded as received, then we have two carry out both of the following actions. It doesn't actually matter which order you do these in:

1. Return the incorrectly received stock by following the actions to be taken if Too much stock was recorded as received
2. Receive the stock that was actually delivered by following the actions to be taken if Too little stock was recorded as received

The stock was recorded as received from the incorrect supplier

If the stock was incorrectly recorded as coming from the incorrect supplier, then you will need to return all of the stock to the incorrect supplier, and then receive it all from the correct supplier. It doesn't actually matter which order you do these in:

1. Return the incorrectly received stock by following the actions to be taken if Too much stock was recorded as received. In this situation, it is highly recommended to Create a supplier credit from a finalised supplier invoice, including *all* of the stock on *all* of the stock lines.
2. Receive the stock that was actually delivered by following the actions to be taken if Too little stock was recorded as received

The stock was recorded as received with the incorrect price

If stock of an item was recorded as received, but with the incorrect price, do the following:

GR+SI receipts

When a purchase order (PO) is used in the procurement process, then the price is set by the PO. If the PO price was 'wrong', then the corrective actions should be governed by organisational policies and

procedures. If your organisation and the supplier have agreed that the price was wrong, and needs to be changed, then there are two approaches, an auditor recommended approach and a method that is not recommended by auditors.

The Auditor recommended method: Cancel those lines on the PO and create a new PO

1. Return the affected items on the current SI (refer to Too much stock was recorded as received above)
2. Create a new PO for the affected items with the correct price
3. Receive the corrected stock as normal.

There is another method that is not normally acceptable to auditors as it involves amending historic transactions rather than creating new transactions to correct the mistakes in historic transactions. It is included here only because some mSupply using customers choose this method and request assistance with it. This method involves amending the historic PO and SI:

1. Amend the prices on the historic PO - refer Editing purchase order lines
2. Amend the prices on the SI - refer Editing lines on a supplier invoice

SI only receipts

Even if a purchase order (PO) was not used in the procurement process and the price on the original paper supplier invoice turns out to be 'wrong', then the corrective actions should be governed by organisational policies and procedures. If your organisation and the supplier have agreed that the price was wrong, and needs to be changed, then, as above, there are two approaches, an auditor recommended approach and a method that is not recommended by auditors.

The Auditor recommended method: Return the incorrectly priced lines on the SI and create a new SI

1. Return the affected items on the current SI (refer to Too much stock was recorded as received above)
2. Receive the corrected stock on a new SI as normal.

There is another method that is not normally acceptable to auditors as it involves amending historic transactions rather than creating new transactions to correct the mistakes in historic transactions. It is included here only because some mSupply using customers choose this method and request assistance with it. It involves amending the historic SI:

1. Amend the prices on the SI - refer Editing lines on a supplier invoice

// Previous: **28.12. How to access Temp folder** | Next: **29. Synchronisation** //

From:
https://docs.msupply.org.nz/ - **mSupply documentation wiki**

Permanent link:
https://docs.msupply.org.nz/faq:incorrect_receiving?rev=1698809359

Last update: **2023/11/01 03:29**