

STOCK CARD				
PRODUCT: <i>Soufriere Arrowroot Flour,</i> <i>4 ounces</i>				
COST PER ITEM: \$ 4.85 <i>EC</i>				
SELLING PRICE: \$ 5.25 <i>EC</i>				
RE-ORDER LEVEL: 20 packs				
STOCK				
DATE	DETAILS	IN	OUT	BALANCE
12/01/07	bought	36		36
13/01/07	sold		06	30
15/01/07	sold		12	18
16/01/07	bought	24		42
16/01/07	burst		03	39

Stock In

- Goods or materials ordered which are received.
- Goods returned by customers which can be sold.
- Products manufactured which are ready to be sold.

Stock Out

- Products sold.
- Damaged goods or materials which are thrown away.
- Goods or materials stolen.
- Materials utilized to manufacture products or provide service.

Add Stock In, Subtract Stock Out

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Centre for Enterprise Development Inc.

BUSINESS GUIDE NO. 16

Getting Yourself Ready

*“Developing the local economy, one
business at a time”*



WHAT IS STOCK?

Different types of businesses define stock differently.

- For a retail business, stock is the goods and materials that the business buys to resell.
- For the manufacturer, stock is:
 - *the raw materials and parts the business uses to make its products or provide its service.*
 - *finished products*
- For a service business, stock is the materials or products it keeps and uses to provide its service.

WHAT IS STOCK CONTROL?

Stock Control is organizing the way stock is received, recorded, stored, arranged, checked and re-ordered.

WHY IS STOCK CONTROL NECESSARY?

It helps the business:-

- Keep the right goods and materials.
- Keep stock in good condition.
- Prevent stock from being lost or stolen.
- Re-order stock at the right time.

GUIDELINES FOR BETTER STOCK CONTROL/MANAGEMENT

- Always keep the right amount of stock.
- Stock goods that sell quickly.
- Arrange and display stock well.
- Check your stock regularly.
- Keep stock records.

WHAT IS STOCK-TAKING?

This is the part of stock management that involves the counting and recording of all stock in your business.

WHY IS STOCK-TAKING IMPORTANT?

It helps the business to:-

- Find out if any stock is damaged or in bad condition.
- Know which goods sell quickly.
- Know which materials and parts are heavily used.
- Know when to re-order.
- Find out if any stock is missing and how much.

Goods that can be easily stolen should be kept in a secured location.

KEEPING STOCK CARDS

Stock records can be kept on cards, in an exercise book or notebook or on your computer. Each product that you carry requires a separate card or page, if you are using a book.

Keep cards below or close to the shelves where items are sorted. Update regularly.

The information you need to record are:-

- The cost per item or the price you paid the supplier for one item.
- Selling price or what you charge your customers.
- Re-order level, that is, the balance at which you will order new stock.
- The number of items you have in stock.
- Anything that is damaged and cannot be sold.
- Stock in, that is, everything you buy.
- Stock out, that is, everything you sell.
- The balance-difference between stock in and stock out.