

STOCK CARD				
<b>PRODUCT:</b> <i>Soufriere Arrowroot Flour,</i> <i>4 ounces</i>				
<b>COST PER ITEM:</b> \$ 4.85 <i>EC</i>				
<b>SELLING PRICE:</b> \$ 5.25 <i>EC</i>				
<b>RE-ORDER LEVEL:</b> 20 <i>packs</i>				
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

## *Guidelines for Stock Control/ Management*

*“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.