

Fact Sheet - Stock take

An accurate stock take is important as it enables a true picture of the financial situation to be given. The value of stock at the end of any given period is equivalent to cash in the bank and may be the difference between the canteen making a profit or a loss.

In addition, a stock take checks that appropriate stock control procedures are in place e.g. stock rotation and provides proof of what stock was on hand in the case of insurance claims.

Winding down perishable and frozen goods before the school holidays is best practice. It may appear that the canteen does not have stock of any significance at the end of the term, however all items used to prepare food for sale has a value e.g. paper products, packaging, sauce portions, pantry items including, plastic wrap, tinned goods, dry goods and other packet items.

Preparation is the key

1. Plan to carry out stock take in the last few days of term
2. Ideally two people should carry out stock take - one to do the count and one to check it.
3. Create a template, or use the sample attached, and photocopy as many of these blank templates as you think you will need
4. Count every item of your inventory - don't estimate!
5. Use supplier invoices to find the cost price of each item - again, don't guess. Multiply the quantity of each item you have by its cost price to calculate the value of that stock.
6. Consider the following hypothetical example:

There are 40 pies left over from a box of 50; according to the invoice 1 box = \$100
Calculate the unit cost: $100/50 = \$2.00$
Calculate the value of the stock on hand: $40 \times \$2.00 = \80.00 .

The final countdown

As the end of the school year approaches consider what stock needs to be sold. It's far better to turn stock into a special with a reduced profit margin than not at all. Ideas include:

- Make meal deals or combos by teaming with any drinks nearing their use by date
- Ask teachers to use any class money that is left to purchase ice creams/icy poles
- Staff catering or food and drinks for [class parties](#). Marketing is essential:
 - Fire sale - everything must go!
 - Big break bonanza
 - No homework lunch pack
 - Santa's burger deal.

A well planned stock take should result in minimal disruption and provide accurate stock value for making informed business decisions about the future financial viability of your canteen!

Note: for your convenience we have also developed an Excel version of the template with formulas. Available for download from www.waschoolcanteens.org.au/menus/ecanteens/

