Stocktaking in
memsec
EPoS

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Overview

This guide is intended to provide an overview of how to configure your MemSec EPoS database in order to make stock taking as simple and straight forward as possible, and how to record orders, deliveries and stocktakes themselves. It will also then describe the stock reports and what they mean.

Please bear in mind that as part of the monthly licence & support fee you are entitled to online training on all aspects of the system so please don't hesitate to give us a call. The guide focuses on drink stock as that's the most common, most valuable and most straight forward. Food stock works in essentially the same way but places much more emphasis on recipe construction.

This guide will provide a text-only overview of each relevant aspect of the MemSec EPoS stock system. Most sections are supported by a more in-depth analysis in one of the supporting documents, often including screen shots. Please note that these are not click-by-click how-to type guides as they assume a basic level of competence with operating the system that is necessary for anyone who wishes to utilise the stocktaking facilities.

Like any computer system MemSec EPoS can only produce data based on the inputs it receives. Therefore the first step to using the system for stocktaking involves making sure that the data is set up correctly on your system. This will almost certainly be a laborious process but is a one off. Once you know you

have everything correctly configured the process of recording deliveries and then counting stock and generating stock reports becomes very straight forward.

Measurements

The key to any stock system is understanding the relationship between the items you buy and the items you sell. That knowledge is probably innate for anyone who's been in the hospitality industry for any length of time but needs to be entered into your EPoS system so that it can accurately measure your sales and deliveries.

Another difference between human and computer understanding of measurements is that we tend to learn and remember how different measurements relate to one another. Even if you're not certain how many pints there are in a gallon (8) you probably instinctively know that there are 88 pints in an 11 gallon keg. Your EPoS system doesn't know that, and unfortunately can't understand that just because you've set one product up as having 88 pints to a keg the next product must be the same.

For more detail on Measurements and how to configure them see the related document 'Measurements'.

Stock Families

Stock tends to be classified into types or Families as we refer to them in Memsec EPoS. Ordinarily these will be broad groups such as Drink and Food, but this doesn't have to be the case. We have customers who do separate stocktakes for spirits, beers and wines, and others who include all relevant items in a single stocktake be they food, drink or even sundry items. Setting up a Stock Family is a very simple process with just a name and whether stocktakes apply being the only necessary details. You then apply the relevant categories to each stock family. You can set up stock families and link categories to them under Settings in Stock Management.

Categories

Categories in MemSec EPoS serve a number of purposes. From the point of view of till operation they are the first step in finding an item to ring it in – even the least experienced of bar staff ought to know the difference between a draught beer, a spirit and a soft drink and so can navigate the first step in finding the right button to press. What unites the items in a category is their generic nature and the size(s) they're sold in. This means that the measurements for one product in a category are highly likely to be identical to the others, or if they're not the variation will usually be in only one aspect. Therefore we can define a range of measurements that will apply to each category.

For more detail on Categories and how to configure them see the related document 'Categories'.

Products

Once a category is defined, adding products into that category is the next step. Products under MemSec EPoS should be thought of as items that are purchased and counted but *not* what you sell. The importance of this distinction when it comes to stocktaking cannot be underestimated.

Much like the category to which it belongs a product should generally be something you'll create once and configure to your requirements. Within the definition of a product there is also the scope to define its purchase measurement(s) and the prices your supplier(s) charge for them. Once those have been set up you shouldn't need to return to them to change them as supplier pricing can be altered per delivery.

It's vital to understand that once a product is created, although changing delivery sizes and even stocktake measurements is possible, changing the smallest measurement is not. This is because every aspect of the system relies on that being constant. Therefore if it becomes apparent that the smallest sale unit for a product no longer provides sufficient scope or accuracy then the only option is to delete the product and create a new one with the new smallest measure.

All of the above relates in the context of this document to products which are to be included in a stocktake. For more detail on Products and how to configure them see the related document 'Products'.

Suppliers

Suppliers have to be recorded in your system in order to allow you to generate orders & deliveries. Each supplier can have one or more stock types associated with it, which allows you to identify each delivery as relevant to a particular stock family. You can set the next delivery date for a supplier and the delivery frequency which will then allow the system to calculate required order levels.

Delivery Sizes & Supplier Prices

If we think of the product being the liquid that we count in a stocktake then delivery sizes are simply containers in which it's purchased. These are the main additional aspects of your products that will need to be set up in order for meaningful stock movements to be recorded in MemSec EPoS. Whilst a product normally inherits its default delivery size from its category, the price paid for each delivery size and which supplier that comes from are unique to you.

For more detail on Delivery Sizes & Supplier Prices and how to configure them see the related document 'Delivery Sizes'.

Sale Items

Once a product is set up in the system as an item you purchase the only other consideration is how you will then sell it on. As mentioned above we provide a shortcut when creating the product to allow you to simply enter the price of the standard sale item sizes of the product. These will inherit the default volumes configured under the relevant category. Often that will suffice, for a bottled beer for example, since there is usually only one way in which that kind

of product is sold. However, other kinds of item may well need more variations set up.

There are many aspects to setting up sale item recipes correctly, so please refer to the related document 'Sale Items' for more detail.

Orders & Deliveries

With all relevant products assigned in the appropriate sizes for both sale and purchase and the supplier prices attached it's now time to look at orders and deliveries. These have to be entered so that the till knows of incoming stock as well as outgoing sales. The process within MemSec EPoS has been designed to mimic your workflows in as much as an order has to be placed with a supplier some time before that supplier delivers the goods as per the order. To avoid duplication of effort you can email your orders directly from the system, so long as the supplier is able to receive emailed orders.

When the delivery arrives you record the order as having been delivered, making any necessary changes where items have either been added or missed off the delivery.

You can also record returns if you're sending stock back, record wastage of stock both in the till and back office and even manage stock of containers.

For more detail on how to compose orders and record deliveries, please see the related document 'Orders, Deliveries & Other Stock Movements'.

Stocktakes

So finally to the ultimate objective – recording your stocktakes. This is of course an exercise you'll undertake periodically, whether that's monthly, weekly or at some other interval. These are the typical steps;

1. Ensure all deliveries and returns have been recorded correctly
2. Print off a count sheet
3. Start the stocktake on the system
4. Physically count your stock and record quantities on the count sheet

5. Enter the recorded values on the system
6. Review the reports
7. Save the values you've entered and investigate any large variances
8. Re-open the stocktake and correct any count values that were incorrectly recorded
9. Finalise the stocktake

Steps 5-8 can be repeated any number of times if necessary.

Your first two stocktakes will be an exercise in how to record your current stock rather than in producing any meaningful reports. This is because the first stocktake goes back to the beginning of the system so unless you've been able to retrospectively enter all deliveries since that date there will be more stock than expected in the second. Nonetheless this is a worthwhile and of course necessary exercise as it will establish your 'real' opening stock with the second stocktake. We normally suggest entering zero values in the first stocktake and then your actual counts on the second. This double stocktake can be done back-to-back if necessary.

Each stocktake will produce reports for the period in question with various statistics about each product. Foremost in those statistics is the variance, or how much you are up or down against the expected stock level. It's highly unusual for there to be no variance at all on a stocktake so it's more a question of being able to recognise what's normal. This will depend on your familiarity with the product in question as much as your familiarity with the system.

For more detail on how to record stocktakes, please see the related document 'Stocktakes, Stock Reports & Line Checks'.

Stocktake Reports

The reports generated by a stocktake in MemSec EPoS were designed by a former Scottish & Newcastle stocktaker with over 20 years experience. They provide ample information for analysing all aspects of stock performance but are so comprehensive as to be potentially quite daunting. There are some key indicators for the overall result as well as details for each individual product. The different reports provide different data on all aspects of sales, deliveries

and financial performance in the period. The two main reports are the Detailed Stocktake Report and the Detailed Variance Report. These two share some columns but each has its own purpose as suggested by its name. Between these two reports you ought to be able to identify how each product has performed and any obvious reasons for poor performance such as missing deliveries or exaggerated cost prices.

Normally then you'll look at the reports in order to decide whether you're happy with the result of the stocktake. Even if the overall result is acceptable you may wish to examine individual lines in order to identify any unusually large variances. If none are found then you'll presumably finalise the stocktake but if one or more products has a large variance you may wish to save the stocktake and verify deliveries etc. If there are any figures that look particularly strange, such as very high negative GP percentage or variance quantities then it's definitely worth rechecking the structure of the product, its delivery size(s) and its sale items to ensure that they're in the correct proportions.

You can see sample stocktake reports on our website, https://www.memsecepos.co.uk/sample-reports. Please also refer to the associated document 'Stocktakes, Stock Reports & Line Checks'.

There are many aspects to stocktaking within MemSec EPoS and the above will only have touched on the key points. The related documents in this series are intended to provide further detail and you should always bear in mind that your licence & support fee entitles you to unlimited telephone support during our office hours of Monday to Friday, 9.00am to 5.30pm. We understand that this is complicated subject that takes some time to get to grips with and so are happy to help. We welcome your feedback on this and the related documents.