![MyBusiness - Accounting Software for small businesses]

Managing Stock

Introduction

Managing Stock with the MyBusiness software is easy, and you will have a host of powerful features to help you along the way. You can track stock items, chargeable services and create bills of materials. The system will automatically change your stock levels when you raise customer and supplier invoices or you can make manual changes. You can set your own categories and groups of stock items, which could even be stock locations. And of course you can fully report stock values and stock activity histories.

This guide will take you step by step through the main stock functions, they key sections covered are:

- Setting up stock items
- Setting up an income or expense category to track stock sales in your accounts
- Raising customer and supplier invoices using the integrated stock features
- Handling a stock check
- Stock reporting
- Handling stock within the accounts

The stock management features of MyBusiness are mainly found on the Stock List Page which can be found under the Accounts Main Menu then Stock List.

Shows you a description of your stock e.g. Boots UK12

Shows clearly what your cost and selling prices are.

Shows the reorder level of each item of stock, you can also adjust the stock as well as delete the stock from here.
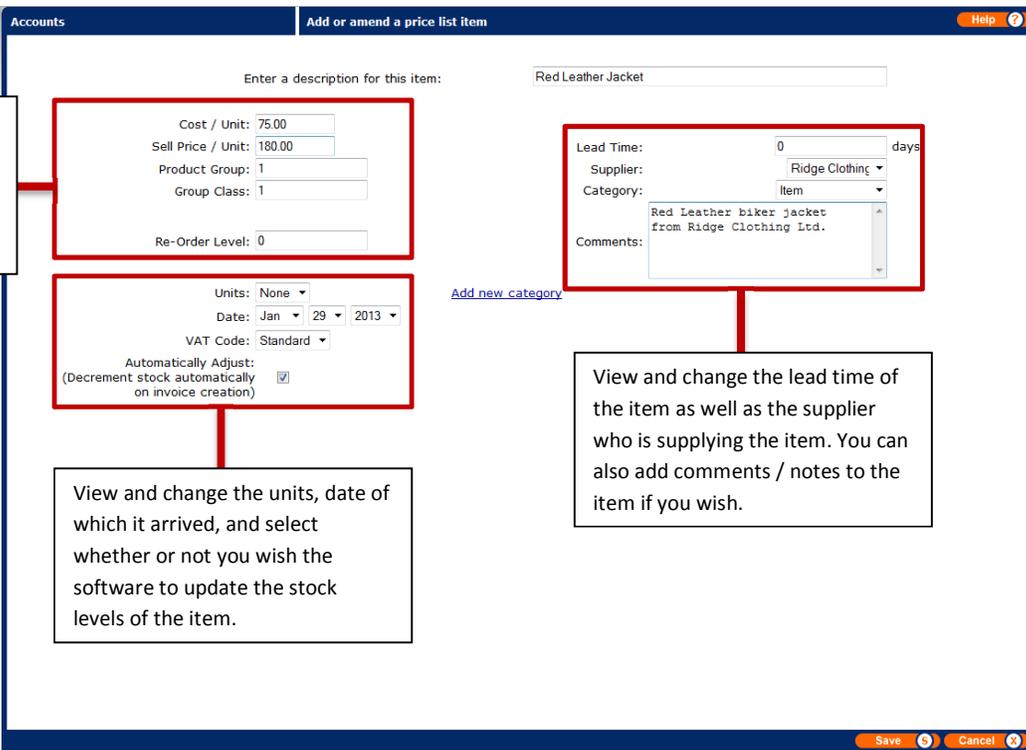
Setting up and income or expense category for Stock Groups

It may be that you want to track your sales of key groups of products within your accounts, for instance these may be clothing items such as Boots, Jackets and Jeans.

Go to the Accounts Main Menu, Income and Expense categories and select New Income Category, create a subcategory called e.g. Shirts. You will then be able to select this category when you raise an invoice and the sales will be tracked within your Profit and Loss and Balance Sheet reports.

Creating a New Stock Item

To add a new item, click New Item from the Stock List page then you will encounter the following screen.

Enter your cost and selling price for the item along with its re-order level (if applicable)

View and change the units, date of which it arrived, and select whether or not you wish the software to update the stock levels of the item.

View and change the lead time of the item as well as the supplier who is supplying the item. You can also add comments / notes to the item if you wish.

- If you include a cost and selling price the system will track your profitability by invoice
- You can filter the stock view on the Stock List page by Category, Group and Class
- Service items can be linked to diary appointments and tasks and can be added to invoices as chargeable items
- As along as the automatically adjust box is ticked every time you raise an invoice the stock will be increased or decreased.

Raising Invoices

Open an invoice wizard and fill in the details as instructed. When you reach the Add item or description page you can select a stock item and enter the quantity. All of the relevant boxes will automatically fill and the details will be added to your invoice. You will need to select the category of income you want to use.

You may want to set up a category called "Widgets" for instance so that you can track widget sales in your accounts.

If the Automatically Adjust box is ticked then every time you use stock items in supplier or customer invoices the stock levels will be adjusted and you will receive a warning when the minimum order levels are reached.

Handling a Stock Check

Go to the Stock List page, and select Stock Listing on the left hand side. Here you will be provided with a stock list, which can be printed off and used for a stock check.

Use this list to go to the individual stock items on the Stock List in your software and select "Adjust". On the stock adjustment screen select the date for this event, the reason or category for the adjustment, which will appear in the stock history, and enter the amount in "Actual". Stock levels will be adjusted.

Stock Reports

Stock reports can be found in Accounts Main Menu, Reports or the Accounts Preparation Reports and can be viewed in Excel.

The key reports are 'When did I buy stock', 'Stock Value Report' and 'Stock History Report'.

Handling Stock within the Accounts

Stock purchases are usually allocated to the Category "Stock Purchases". You can set up your own subcategories to track groups or types of product. These purchase costs will therefore appear in your profit and loss as expenses.

Stock Values and History Reports are provided in Excel format in the Accounts Preparation Report

At the end of the year the value of the stock, which has been purchased in that year but not used in that year, needs to be accounted for in the P&L as an expense.

This can be managed as an expense item called "End of year adjustment" (covered in then Guide to Year End Procedures). This is a very simple process.

Your accountant may also ask you to make adjustments to the value of your stock at the year end, and you can do this by creating a new stock item called Year End Adjustments and giving this a plus or minus figure and number of units 1.