

INVENTORY MANAGEMENT/ STOCK VERIFICATION

Budget

Those who neglect to foresee evolution will by no means increase their ability to be prepared for the unexpected ...

- ◆ PURPOSE
- ◆ OPERATING EQUIPEMNT BUDGET
- ◆ INVENTORY TAKING PROCEDURES
- ◆ PROJECTED BREAKAGE /LOSS

Purpose

- Provide estimates of future revenue and expenses
- Provide short and long term co-ordinated management policies
- Provide control by comparing actual results with budgeted plans
- Take corrective action , if necessary

Operating Equipment

Should be based on :

- ✓ Inventories
- ✓ Par stocks
- ✓ Average Breakages per item & per year
- ✓ Items on order
- ✓ Change is service operation

Inventory

- ✓ Operating Equipment is property of unit
- ✓ Joint effort by all concerned
- ✓ Physical stock taking should be done at end of every quarter

Inventory Procedures

- ✓ Materials to be stacked in manageable batches by size and design
- ✓ Layout all equipments in Outlet
- ✓ Guest Room inventory to be done by H/K
- ✓ Set up two teams to share work load& increase speed
- ✓ Exercise done jointly by Support and Finance

- ✓ Expense Heads
- ✓ Chinaware
- ✓ Glassware
- ✓ Silverware
- ✓ Holloware
- ✓ Cleaning Expenses
- ✓ Utensils
- ✓ Silver plating/Buffering
- ✓ Gas
- ✓ Solid Fuel
- ✓ Charcoal

◆ Operating Equipments

- ✓ Revenue expense items
- ✓ Procured on a weekly, fortnightly, monthly basis
- ✓ Maintain a par level in stores
- ✓ Gets booked in 'Utensils' expense head monthly
- ✓ Miscellaneous items used in kitchen falls under this category :
- ✓ Knives, peelers, sharpening
- ✓ stone, strainers, cutters, pans, woks, whisk, dabbu, jhara, etc etc ..

◆ Capex Equipments

- ✓ Require Capital Expense
- ✓ Need to be capitalized once procured
- ✓ Yearly CAPEX Budget to be planned, formulated and sanctioned
- ✓ CAPEX – can be new requirement or replacement for written-off equipments
- ✓ Kitchen Equipments falls under this category :
- ✓ Buffalo Chopper, tenderizer, Meat Mincer, Gravity slicer, onion slicer, potato peeler, convection oven, reach-ins, freezers, etc etc

◆ Indenting Procedure

- ✓ Before Indenting , following needs to be adhered to :
- ✓ Available Budget
- ✓ Consumption pattern
- ✓ Available stock
- ✓ Minimum Par
- ✓ Specification-Make, model, code, etc
- ✓ Cost of equipments
- ✓ Reason for purchase
- ✓ Source of Supplies

◆ Indenting Procedure

- ✓ All indents in terms of Operating Equipments to be initiated on a formal indent book
- ✓ All indents duly approved by Support Manger,Unit Financial Controller,GM
- ✓ Duly approved indent to reach Purchase department
- ✓ Purchase dept.to receive indents & mention Date & time
- ✓ Support to keep all indent,item specs and quantity and delivery schedule with Purchase Order for future reference

◆ Procuring

- ✓ Purchase has to give time frame for procurement of items depending upon type of equipment,lead time-Imported,indigeneous,readily available,to be manufactured.
- ✓ All Purchase Order copy should reach Support to match with requirement and delivery schedule
- ✓ Purchase has to procure same item as advised in indent.If any change,prior approval to be taken .

◆ Supply Inspection

- ✓ All supplies to be thoroughly inspected by Support department before receiving
- ✓ Physical count to be done jointly by Support and Receiving
- ✓ Inspection report to generate and reason for rejection to be mentioned
- ✓ Replacement of rejected items to be procured within 24 Hours
- ✓ Bills/invoices/challans to be approved by Support Manager

◆ Storing

- ✓ Duly inspected supplies are to be kept in General Stores. Support to withdraw after giving proper requisition to stores,
- ✓ Support store-keeper to make entry of articles taken out of stores in stock ledger
- ✓ All issues to Outlets to be recorded in Issue Register
- ✓ Store inventory to be done once a month during closing to validate available stock
- ✓ Any non-moving /slow/about to finish items to be highlighted

◆ Issuing

- ✓ All issues to be made on replacement basis against breakages/shortages.
- ✓ For new items or increase in par,only duly approved requisition by HOD ,to be entertained
- ✓ To keep all records of issues to various Outlets
- ✓ All Loan Issue during heavy or VIP banqueting events are also to be recorded on Loan book and ensure timely return
- ✓ Any discrepancy in loan taken and returned to be noted and inform F&B manager

◆ Report Generation

- ✓ Monthly Breakage Report Consumption(Breakage cost/cover)
- ✓ Weekly Engineering SNAG list
- ✓ Monthly Purchase Tracker
- ✓ Monthly Hiring Tracker
- ✓ Monthly Supplies consumption Tracker(Actuals VS Budget)



IHM
Notes
Site