STOCK HANDLERS SOLUTIONS

ACCURATE · THOROUGH · INFORMED · IMPARTIAL

Stock Count Preparation Checklist

What to do in the three weeks before anybody counts anything

Published by Stock Handlers Solutions · Independent inventory verification, Nairobi

Most counts that go wrong were lost before the count date. Work through this in order. Everything here is something Stock Handlers Solutions checks at a site assessment, and every item on it has at some point been the reason a count ran long or produced a number nobody could defend.

Three weeks before — scope and data

- [ ] Scope agreed in writing: which locations, which stock
  Include anything held at a third party, at a branch, in transit, or with the sales team.
- [ ] Stock on your premises belonging to others identified and excluded
  Consignment and customer-owned goods are not your inventory.
- [ ] Item master reviewed for duplicate and near-duplicate codes
  The same item under two codes produces an offsetting surplus and shortfall that are rarely spotted as a pair.
- [ ] One unit of measure confirmed per item, with conversions defined
  Cartons versus pieces is the single largest cause of dramatic-looking variances.
- [ ] Obsolete and dead codes identified for retirement
- [ ] Descriptions checked — each one identifies exactly one physical item
- [ ] Counting method decided: blind or not, zone or item, team structure
- [ ] Recount trigger agreed: by value, by percentage, or both
- [ ] Date and window confirmed with your auditor if the count supports an audit

One week before — the physical store

- [ ] Same item consolidated into one location wherever possible
  The biggest single time saver available. Counters spend most of their time searching, not counting.
- [ ] Aisles cleared, every shelf and stack physically reachable
- [ ] Labels faced outward so items are identifiable without unpacking
- [ ] Part-cartons broken down or clearly marked with contents
- [ ] Damaged, expired, returned and quarantined stock segregated into a defined area
- [ ] Non-stock items removed from the counting area
  Packaging materials, equipment, personal belongings.
- [ ] Unlabelled or unidentifiable items resolved, or an identification contact assigned
- [ ] Zones mapped with no gaps and no overlaps, and labelled physically

The day before — cut-off and readiness

- [ ] All received goods entered into the system
- [ ] All despatches raised and processed
- [ ] Transfers in transit identified and a decision taken on which end counts them
- [ ] Returns awaiting paperwork cleared

- [ ] Cut-off point communicated to every department, not only the store
- [ ] Holding area established for anything arriving during the count
- [ ] System frozen for the count window, or a hard snapshot taken at cut-off
- [ ] Count sheets prepared — blind, if the count is to be independent
- [ ] Teams briefed: method, zones, recording, what to do with an unknown item
- [ ] Supervisor assigned per zone, independent of that zone's custodian

On the day

- [ ] Start on time
  Counts that start late finish tired, and tired counts are inaccurate.
- [ ] Count systematically within each zone — one direction, top to bottom
- [ ] Record as you go, not from memory at the end of a run
- [ ] Flag anything unexpected rather than resolving it informally
- [ ] Supervisor spot-checks completed zones while teams are still on site
- [ ] No zone released until its sheets are complete and signed

Immediately after

- [ ] Largest variances recounted the same day
  A recount a week later is a different count under different conditions.
- [ ] Original count data retained exactly as captured, before any adjustment
- [ ] Variances classified by probable cause, not listed flat
- [ ] Offsetting pairs matched to each other
- [ ] Every adjustment between the floor and the ledger documented with a reason
- [ ] Condition findings recorded: damaged, expired, obsolete, slow-moving

A note on independence, from SHS

The person who holds custody of stock should not be the sole person verifying it. This is not a question of anybody's honesty: an error in your own records is the hardest thing for you to see, and the result reflects on you. Rotate staff across departments if you count internally, and document the rotation. Where Stock Handlers Solutions counts for you, the team is independent of your storekeepers by design.