Stock Reconciliation and Management
Setup & Quick Start Guide

Grower Edition
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Introduction

The best stock records are found where regular stock takes and reconciliations are carried out.

If you stock take and reconcile regularly you will have less to do each time, you will be able to remember and track down discrepancies more easily. This will result in an accurate and reliable set of crop management records.

Little and often is best

As a minimum, you should aim to stock take and reconcile once a quarter. However, we recommend that you stock take and reconcile every month. We also recommend that you close your open stock period once a year.

This guide is to advise the sort of steps a Gatekeeper user should consider when doing stock reconciliation and closing stock periods.

It starts with the stock taking, then stock reconciliation, closing stock periods and adding a new stock period.

Below are the steps you should consider. The first page is an introduction and the rest of the document is detailed “How To”.

1. Stock taking
2. Stock Reconciliation
3. Closing a Stock Period
4. Adding a new Stock Period
5. Stock Management Business Modes
Stock Management

In order to carry out a Stock Reconciliation and if required go on to close a Stock Period, you should first carry out a Stock Take.

You can do multiple stock takes and reconciliations throughout the year and only close the stock period after the last reconciliation for that year.

It is important that you have recorded all field operations and all deliveries made up to the stock take date.

The New Stock Take function guides you through a process that makes it easy to print a Stock Taking Sheet for multiple Stock Headings and then go on to Initialise a Stock Reconciliation for the selected Headings.

Alternatively, you can print out a Stock Taking Sheet independently of the New Stock Take function. You may also initialise a Stock Reconciliation for the currently selected Stock List Heading. Each stock list heading has to be initialised one at a time using this method. If you wish to initialise a Stock Reconciliation for multiple Stock List Headings, you may prefer to use the New Stock Take function.
Stock Taking

Using the New Stock Take function

1. Within the Stock module, from the Tree View select one of the Stock Headings that you wish to work with. Make sure that you are in the Open Stock Period and that you have the correct Business selected.

2. Click Stock Management. The Stock Management window will appear.

3. Click New Stock Take.
4. The **Heading Selector** will appear. Select the Headings that you wish to include in the Stock Take and Reconciliation.

![Heading Selector](image)

5. Click **OK**.

6. In the New Stock Take window that appears, select the date that you wish the Stock Take to be carried out (this can be in the future) - this date will appear on the printed Stock Taking Sheet.

![New Stock Take](image)

- **Note.** The time will be given as 23:59 on the day of the Stock Take by default - i.e. the close of business on that day. If you wish to specify a specific time then in General Business Options you should select, Stock Taking and Stock Periods - **By date and time**.
• The Selected Headings will be listed on the right of the window. If you wish to add/remove Headings click **Re-pick Headings**. Select the Headings required from the Heading Selector that appears.

7. Click **Stock Take Report** to preview the Stock Taking Sheet.

![Stock Taking Sheet](image)

8. Within the Preview window, click **PRINT** to produce a Stock Taking Sheet.

9. Click **Exit** to close the Reports viewer.

10. The New Stock Take window will re-appear. Click **Initialise Headings**.

![New Stock Take](image)
11. The Stock Management window will appear and a new Stock Reconciliation will have been initialised for the selected Headings.

12. When a Stock Reconciliation has been initialised, a yellow Stock Take column will appear in the products grid. This is for you to enter the Stock Take quantities that you record on your Stock Taking Sheet, adjusting your stock figures according to the Reconciliation discrepancy method selected.

13. A yellow, Stock Reconciliation frame will also be displayed in the middle of the window indicating the Reconciliation date and Status.

14. Each of the Headings initialised in the Stock Reconciliation will be indicated with a blue question mark in the Tree View.

15. If desired, click **OK** to save the initialised Stock Reconciliation and exit Stock Management. You can come back to complete the Stock Reconciliation when you are ready. The Stock Reconciliation will remain in its initialised but incomplete state until you complete it.

16. You should now go out into your Stores and record the Stock levels of each product on your printed Stock Taking Sheet.

17. To go back to complete the Stock Reconciliation simply click **Stock Management** from the Stock module.
Stock Reconciliation

It is not necessary that the stock reconciliation be completed immediately following the stock take. The stock take records can be kept until a convenient time to do the stock reconciliation. The stock reconciliation date should be dated at the stock take date.

It is important that you have recorded all field operations and all deliveries made up to the stock take / reconciliation date.

Once a Stock Reconciliation has been initialised, the Stock Management window will be displayed ready for the Reconciliation to be carried out.

1. The Heading that is currently selected in the Tree View, together with all its products, will be displayed. Any other Headings, which have had a Stock Reconciliation initialised but not confirmed, will be shown with a blue question mark against their name in the Tree View.

2. The Status of the Reconciliation for the selected Heading will be shown in the yellow Stock Reconciliation frame. Check that the Reconcile date (and time) is correct or change if required. At this stage, the Status will show as 'Not recorded'.

3. The date that both quantity and value records have been locked up to for the selected Heading will be shown in “The current locking state for these products is” frame. Records will not be changed prior to these locked dates.

4. The locking method that will be used for this Reconciliation will be shown in the Heading locking Method box.
• By default, the **Locking method** used will be the one set for the Selected Heading. To change the default Locking methods used by that Heading go to **Setup Headings**.

• To change the Locking method for this Stock Reconciliation only, click the **Selector** button to the right of the Locking method box and pick the Locking method required. You may also pick the Allocation method that is covered in the next point below, and view the Locking State.

5. The discrepancy allocation method that will be used for this Reconciliation will be shown in the Reconciliation discrepancy allocation method box.

**Reconciliation Discrepancy Allocation Method**

When a Stock Reconciliation is carried out and differences are present between the physical stock take and the In-Stock quantity shown in the software, the difference must be allocated in a suitable and appropriate way. There are five different Allocation methods.

1. **Stock Adjustment**. Just adjusts the quantities in-stock and affects no other records.

2. **Trading Adjustment**. Allocates differences to Trading Adjustments, no other records are affected.

3. **Field Operation Wastage**. Allocates difference to operations in the open period that used the product and will show in the Allocated Wastage column for that product within the Operations tab of the Fields module for each field affected

4. **Field Operation Rate**. Allocates difference to operations in the open period that used the product. The applied rate and quantity WILL be affected. The total value of the application will be changed to show the new applied values.
5. **Opening Stock.** Allocated to Opening Stock and the Opening Stock quantity for that Stock Period is recalculated.

![Diagram of Reconciliation Discrepancy Allocation Method]

Allocate any discrepancy between the calculated closing stock and the stock take quantity to: Stock adjustment quantity which changes only the quantity in stock without affecting any other records.

Please refer to Gatekeeper Help screens for a more detailed explanation of the Reconciliation Discrepancy Allocation Method.

**Reconciliation Discrepancy Allocation Method Recommendations**

If you have very messy stocks and need to bring them under control then you use either Stock Adjustment or Opening Stock reconciliation discrepancy allocation methods.

If your stock is under control and you regularly stock take and reconcile, then you use Field Operations Wastage or Field Operation Rate as the reconciliation discrepancy allocation methods.

If you know that the problem is with Trading but cannot find the cause, then use the Trading Adjustment reconciliation discrepancy allocation method.

If you wish to use a variety of different allocation methods for each product then you will have to carry out more than one Stock Reconciliation (depending on how many allocation methods you decide to use). These can be carried out one after the other.
Stock Reconciliation Locking

Stock Reconciliation may be carried out many times within a Stock Period to check and balance in-stock quantities.

Three locking states are allowed when locking a Stock Reconciliation but only Quantities can be locked. Prices can only be locked by closing a stock period. This is because prices are averaged over the Open Stock Period.

In Stock Reconciliation, the locking states work as follows:

1. **No Locking.** All records can be edited

2. **Locking for unauthorised users.** Unauthorised users cannot edit or add records prior to the last Stock Reconciliation

3. **Full Locking.** Records cannot be edited or added prior to the last Stock Reconciliation by any user

To change the locking method for this Stock Reconciliation only click the **Selector** button to the right of the Heading Locking method box and pick the method required. You may also view the Locking State.

Please refer to Gatekeeper Help screens for a more detailed explanation of the Stock Reconciliation Locking States.
Entering the Stock Take Quantities

To complete a Stock Reconciliation, all products for the selected Heading must have a quantity entered into the yellow Stock Take column. If a product does not have a quantity entered when the Stock Reconciliation is confirmed then it will be marked with a blue question mark indicating that the Reconciliation has not been confirmed for that product. Products that have been Reconciled, but are included in an unconfirmed Reconciliation, will be marked with a tick.

1. Enter the relevant quantity into the Stock Take column in one of the following ways, or a combination of several;

- Type the required quantity into the Stock Take column.
- Click **Accept All In Stock**. The quantities shown in the In-Stock column will be copied into the Stock Take column for all products. This would be useful if your physical Stock Take agrees with the In-Stock Quantity shown for all or the majority of your products. Any products with negative In-Stock quantities will be ignored, as a Stock Reconciliation cannot be completed until products with negative quantities have been dealt with. Individual products can be changed afterwards if required.
- In the Stock Reconciliation grid, select the product for which you wish to enter a Stock Take. Click **Accept In Stock**. The quantity shown in the In-Stock column will be copied into the Stock Take column for the selected product. If the selected product has a negative In-Stock quantity a message will appear
advising you that the Stock Take quantity has been set to zero (as a Stock Reconciliation cannot be completed if any product has a negative In-Stock quantity). The next product in the grid will be highlighted ready to work with.

- In the Stock Reconciliation grid, select the product for which you wish to enter a Stock Take. Click **Zero Stock Take**. The Stock Take quantity will be set to Zero for the selected product. The next product in the grid will be highlighted ready to work with.

- In the Stock Reconciliation grid, select the product for which you wish to enter a Stock Take. Click **Zero and Inactive**. The Stock Take quantity will be set to Zero for the selected product and the Active status check box will be cleared. When the Stock Reconciliation is confirmed, the product will be made inactive. When the period is closed any inactive products will no longer appear in its Stock Heading for the new Open Period. A product can be re-activated if required by going to **Setup Products**. This is useful for products that you have used up and that which you will not be purchasing again or which have been discontinued. The next product in the grid will be highlighted ready to work with.

- Click **Clear Adjustments** and then click **Yes** at the message that follows to remove all trade, field and opening stock adjustments for the selected product. The next product in the grid will be highlighted ready to work with.

2. Use the scroll bars beneath the grid to move up or down through each product.

3. If you wish to add a new product to the currently selected Heading click **Setup Product**.

4. When you have entered a quantity into the Stock Take column for all products, click **Confirm Stock Reconciliation**. Stock quantities will be changed and adjustments made to field, trading or opening stock quantities, in accordance with the selected Locking Method and the selected Reconciliation discrepancy allocation method.
5. A warning message will appear, confirming the action that will be taken. Click **OK** to continue. If all products have a relevant Stock Take quantity entered, the Stock Reconciliation will be confirmed.

6. If any products do not have a valid Stock Take quantity then a warning message will appear stating that some products could not be confirmed and you will be given the option to proceed (Yes) or return to the Stock Reconciliation window without saving (No). The Status of the Reconciliation will be shown as 'Unable to confirm'. You will need to troubleshoot the problem or call the relevant support and seek advice.
Completing the reconciliation
Once the Reconciliation has been successfully completed, its Status will be changed to Confirmed;

At this point, if you require you can Add a New Stock Period. If you do not wish to add a new stock period, just click Save and then OK. This reconciliation is complete.
Stock Periods

Closing a Stock Period
In order to close a Stock Period and create a new one, you must have carried out a Stock Reconciliation (see the previous section).

You do not need to close the Stock Periods for all your Stock List Headings at once as each Heading is dealt with individually. This gives you a great deal of flexibility in how you manage each Heading. For example, you might wish to end the Stock Period for all your Fixed and Variable costs in order to start using different prices for the new season. However, you may wish to keep your Primary Output Stock Period open until you have sold all your produce for that cropping season.

There are a number of levels of Stock Period Quantity and Product locking. The locking option selected will determine whether the price and/or quantities can be edited within a Closed Period.

When the period is closed any inactive products will no longer appear in its Stock Heading for the new Open Period. A product can be re-activated if required by going to Setup Products. This is useful for products that you have used up and that which you will not be purchasing again or which have been discontinued.

Adding a New Stock Period
When you add a New Stock Period, the previous one is closed simultaneously.

1. To close a Stock Period for a Heading you must first carry out a Stock Reconciliation for that Heading.

2. Once the Stock Reconciliation has been carried out, within the Stock Management window the Stock Reconciliation Status will show as 'Confirmed'.
3. The Add New Stock Period window will appear. The selected Heading, the Opening date and time of the current Stock Period and the Reconciliation date and time will be displayed. The Reconciliation date and time will be copied automatically into the **End existing period** on box. This can be adjusted if required, however, it would not be logical to make the End existing period date or time later than the Reconciliation time as this could lead to inaccuracies.

![Image of Stock Management Window]

4. If you are using the default General Business Option to record **By date** for Stock Taking and Stock Periods, then the Reconciliation date and Close of Stock Period will be timed at 23.59 hours on the date selected. The new Stock Period will be opened at 00.00 hours on the following day.

5. If you have activated the General Business Option to record **By date and time** for Stock Taking and Stock Periods, then the new Stock Period will be opened 1 minute after the last Stock Period was ended which could be on the same day.
6. The **Locking Method** chosen when the Stock Reconciliation was carried out will be selected. The method can be changed if required.

**Add New Stock Period**

<table>
<thead>
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<tr>
<td>Opening date</td>
<td>01 June 2014 00:00</td>
</tr>
<tr>
<td>Reconciliation date</td>
<td>31 January 2015 23:59</td>
</tr>
<tr>
<td>End period on</td>
<td>31 January 2015 23:59</td>
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**Locking Method**

- A) No locking
- B) Locking for unauthorised users
- C) Full locking

**Locking For**

- Quantities only
- Value and quantity

Add a new stock period by closing off part of the open stock period sometime on or before the last reconciliation date. Within each stock period product prices are averaged and used in correspondingly dated field operation records.

**Stock Period Locking**

When closing a Stock Period the locking states work as follows:

1. **No Locking.** All records can be edited.

2. **Locking for unauthorised users.** Unauthorised users cannot edit or add records in a Closed Stock Period.

3. **Full Locking.** Records cannot be edited or added during a Closed Stock Period by any user.
Complete Opening New Stock Period

1. Click **Add New Stock Period**. The Stock Period will be closed for that heading and a new one created.

2. You will be returned to the Stock Management window where you may wish to carry out Stock Reconciliations or Add New Stock Periods for other Stock List Headings by selecting them from the Tree View.

3. At this point, if you have added a new stock period for Fixed Costs or you are using Price List stock control, you will enter the new prices for the coming open period.

4. Alternatively click **OK** to close Stock Management and return to the Stock module.

5. The Stock List Headings that have had their Stock Period ended will appear in the Tree View under the appropriate Year and marked as Closed and showing the date that they were closed.
Stock Management for Price List Mode

For stock headings that are set to price list mode (normally fixed costs machinery costs), it is not necessary to reconcile these headings.

Entering the stock management function will allow you to update the prices in the open stock period.

Closing a Price List Stock Period

For price list mode heading you can add a new stock period without doing reconciliation as there is no stock take to reconcile.

Just click on the button Add New Stock Period.

Enter the date you wish to close the period.
Select the locking you wish to use.

Click on Add New Stock Period. Heading will be closed at the date selected and a new period start on the next day.
Stock Management Business Mode

If you have Contract businesses enabled then each of your Main businesses and Contract businesses will carry their own stock records. Stock quantities for each product within a business are calculated independently of any other business. Stock Management therefore, should be carried out on each of your businesses to make sure that they are Reconciled correctly and the Stock Periods are Ended at the appropriate time.

There are three modes available for using Stock Management on multiple businesses;

- **Single business** - Manage stocks for the currently selected business only.
- **Multi business individual stock taking** - Manage stocks for the selected businesses individually but at the same time as one another.
- **Multi business combined stock taking with Intra Business Stock Balancing** - Manage stocks for the selected businesses using combined quantities of each product.
**Single business Mode**

When you select Single business mode, you are then present with the standard Stock Management Window as below.

You can then proceed with generating a stock take or start a new reconciliation.

Stock reconciliation is performed in the standard way.
Multi business individual stock taking Mode

When you select Multi business individual stock taking Mode, you are then present with an amended standard Stock Management Window as below.

In this mode, for each item in stock, you are presented with the quantities held for each business.

You can then proceed with generating a stock take or start a new reconciliation.
Stock reconciliation is performed in the standard way; except you are presented with the in stock quantities per business and you reconcile each item per business.
Multi business combined stock taking with Intra Business Stock Balancing Mode

When you select Multi business combined stock taking with Intra Business Stock Balancing Mode, you are then present with an amended standard Stock Management Window as below.

For non-price list headings stock take quantities are combined as a single total per product per store for the selected businesses and then use the Intra Business Stock Balancing to automatically build transfers and transactions to balance out any stock discrepancies between them.
Stock reconciliation is performed in the normal way.

When you have completed the reconciliation and confirmed it, you are given the option to run a stock balance.
You then get the stock balance screen, which shows the details of what items require balancing and how the Intra Business Transaction will be built.

Clicking on the Confirm Balancing Transfer and Transaction, will generate in Intra Company Transaction and then return to the stock management window.

**Multi business combined stock taking Reconciliation Discrepancy Allocation Method**

Be aware that in multi business combined stock take mode, the only Reconciliation Discrepancy Allocation Methods available are Field Operation Rate, or Field Operations Wastage. If you need to use any of the other Reconciliation Discrepancy Allocation Methods, then you should use either **Single business mode** or **Multi business individual stock taking mode**
Centralised Purchase View

If you have Contract businesses enabled then by default, the stock module will give you a Centralised Purchasing view. This shows you the net stock across all stock centres that are in Centralised Purchasing mode. It does not show prices, as the estimated and actual unit price might vary across stock centres.

The Centralised Purchasing view is only in the Open stock period.

After the Centralised Purchasing, the stock centres are listed with the main business first and then the contract business stock centres in alphabetical order.
Remove a stock centre from Centralised Purchasing

The main business is always the Centralised Purchasing Hub.

To remove a contract business stock centre from Centralised Purchasing, go the Setup and Contract Businesses and untick the box include in centralised purchasing view and save.

If all contract businesses are changed to be not included in centralised purchasing, then the central purchasing view is dropped.

The stock centres are listed with main business first and then the contract business stock centres in alphabetical order.