

## STOCK AND FIXED ASSET MANAGEMENT

US 13945 / NQF Level 4 / 2 Credits

There is a significant cost to carrying excess stock, which is often misunderstood or simply mismanaged.

Effective stock and asset management will have a very direct and positive effect on cashflow and profitability.

Let us show you how it should be done.

### **WHO SHOULD ATTEND**

- All supply chain staff
- Business owners
- Non-financial managers

### **HOW YOU WILL BENEFIT**

- Differentiate between the different types of assets within the business unit
- Gain insight into how to maintain a balance between too much and too little stock
- Identify which type of stock is prone to theft and how to put systems in place to minimise this
- Understand how effective stock management impacts on the profitability and returns
- Implement an inventory management system
- Calculate stock turn and its impact on your bottom line
- Assess the value of assets and calculate depreciation correctly
- Develop a Risk Management programme appropriate for your business

### **WHAT WILL BE COVERED**

- Differentiating between fixed assets and stock in a business unit
- Principles of stock and fixed asset management
- Identifying problems arising from too little or too much stock
- Why stock control is so critical
- Risks associated with stock management
- The importance of quality, quantity, time, price and source in managing stock
- Calculating stock turn for a business unit
- Asset registers, valuation of assets and principles of depreciation
- Risks associated with fixed asset management and how to minimise them

### **PTO For Table of Contents**

*One-day course 08:30 -16:00*

*Tel: (031) 267 1229*

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<b>Module 1</b> <b>Fixed assets and stock in a business unit</b>	<b>Module 2</b> <b>Stock management and the profitability of a business</b>
<ul style="list-style-type: none"> <li>• Explain the concepts of fixed assets and stock with examples</li> <li>• Identify the different fixed assets in a business unit and give an indication of the purpose of each asset in the business unit</li> <li>• Identify stock in a business unit and compile a list of the stock usually needed in a business unit</li> <li>• Indicate the problems that occur in a specific business unit if there is insufficient stock and compile a plan to ensure that the required stock is available when needed</li> <li>• Problems resulting from too much stock and how stockpiling impacts on the bottom line of the business</li> </ul>	<ul style="list-style-type: none"> <li>• Explain the need for stock control with reference to fraud, theft, carelessness and ensuring sufficient stock</li> <li>• Explain two different ways of managing stock with reference to records and stocktaking</li> <li>• Explain the importance of quality, quantity, time, price and source in managing stock with examples</li> <li>• Calculate the rate of stock turnover for a business unit and give an indication of how knowing turnover assists in planning</li> <li>• Explain an Economic Ordering Quantity Model (EOQ) model and apply it to a business unit to calculate the optimum stock level for three items in a business unit</li> </ul>

<b>Module 3</b> <b>Management of fixed assets in a business unit</b>	<b>Module 4</b> <b>Principles of stock and fixed asset management</b>
<ul style="list-style-type: none"> <li>• Identifying the fixed assets in a business unit from a balance sheet</li> <li>• Updating the asset register for a business</li> <li>• Valuation of assets in a business unit with reference to depreciation and investment</li> <li>• Reasons for and purpose of depreciation with examples</li> </ul>	<ul style="list-style-type: none"> <li>• Identify the risk associated with the management of stock in a business unit and quantify the risk in terms of probability and severity</li> <li>• Identify the risk associated with the management of fixed assets in a business unit and quantify the risk in terms of probability and severity</li> <li>• Apply a system for managing stock in a business unit with reference to ensuring sufficient stock, control of costs and the value of the stock</li> <li>• Design a plan to minimize the risk associated with fixed assets in a business unit</li> </ul>