



Hospitality and Catering

Stock control and ordering

Lesson 2

Learn how to control stock effectively to help contribute to business success.





Closing stock: £9000





Calculating food cost example – 'Café X'

Cost of food = opening stock +
purchases – closing stock
= £10 000 + £7500 – £9000
= £17 500 – £9000
= £8500 food costs for that month





What is the point of calculating stock?

A stock check can highlight areas where you might make changes to stock levels and food ordering.

You can control the stock and costs.





Example – Café X

In the previous example we saw that Café X started with stock worth £10,000 and ended with stock worth £9000, yet still spent £7500 on new stock.

What does this tell you?





Café X

If Café X is a small business they should reduce the amount of stock and reduce how much they purchase in a month.





Revision Activity 2

What is the purpose of calculating stock levels?