

# SOP: Inventory and Stock Control Processes

This SOP defines the **inventory and stock control processes** to ensure accurate tracking, management, and optimization of stock levels. It includes procedures for stock receipt, storage, issuance, regular stocktaking, discrepancy resolution, and reporting. The goal is to maintain optimal inventory levels, prevent stockouts or overstocking, minimize losses, and enhance overall operational efficiency.

## 1. Purpose

The purpose of this procedure is to establish standardized processes for inventory and stock control to ensure effective management, minimize variances, and optimize stock utilization.

## 2. Scope

This SOP applies to all staff involved in procurement, warehousing, inventory management, and related functions.

## 3. Responsibilities

Role	Responsibilities
Inventory Manager	Oversees all inventory and stock control operations; ensures compliance with SOP.
Warehouse Staff	Handles receipt, storage, and issuing of stock; conducts regular stock counts.
Procurement Team	Coordinates purchase orders and ensures timely delivery of stock.
Finance Department	Monitors stock valuation; resolves discrepancies in records.

## 4. Procedures

### 4.1 Stock Receipt

- Verify delivered stock against purchase orders and delivery notes.
- Inspect goods for quality and quantity.
- Record received stock in the inventory management system.
- Report and document any damages or discrepancies immediately.

### 4.2 Stock Storage

- Store stock in designated areas according to type, quantity, and frequency of use.
- Ensure all items are clearly labeled and organized for easy accessibility.
- Maintain appropriate storage conditions (e.g., temperature, humidity).

### 4.3 Stock Issuance

- Issue stock only upon receipt of an approved requisition or order.
- Update inventory records immediately upon issuance.
- Ensure proper documentation and authorization for each issuance.

### 4.4 Regular Stocktaking

- Conduct routine cycle counts and a full physical inventory at least annually.
- Compare physical counts with system records to identify discrepancies.

- Document and investigate any variances found during stocktaking.

#### **4.5 Discrepancy Resolution**

- Investigate and determine the cause of discrepancies (e.g., losses, misplacements, errors).
- Report unresolved discrepancies to management for further review.
- Adjust inventory records after approval and document all changes.

#### **4.6 Reporting**

- Generate regular inventory reports (e.g., stock levels, usage rates, discrepancies).
- Submit reports to relevant stakeholders on a scheduled basis.

### **5. Documentation**

- Stock Receipt Log
- Inventory Management System Records
- Requisition and Issuance Forms
- Stock Count Sheets
- Discrepancy Reports
- Inventory Summary Reports

### **6. Review and Updates**

This SOP must be reviewed annually or upon significant changes to stock control processes. Updates must be approved by management.