

The Ultimate Guide to Understanding Your Stocktaking Report (And Turning Data into Profit)

You've just been handed your monthly stocktaking report. It's 20 pages long, full of numbers, percentages, and terms like "variance," "yield," and "GP."

For many restaurant and pub owners, the first instinct is to flip to the last page, look at the final "profit" number, and file the report in a drawer. This is the biggest mistake you can make.

That report isn't a test score; it's a treasure map. It's a detailed, analytical story of your business's health over the last 30 days. If you know how to read it, it will tell you *exactly* where you are losing money and *precisely* how to find it.

As professional stocktakers, we believe our job isn't finished until you *understand* the data. Here's a simple guide to reading your report and turning it into an action plan.

Don't Get Lost in the Weeds: Focus on the "Big 3" Metrics

A detailed report is great, but to avoid getting overwhelmed, start by finding these three key numbers on the executive summary.

1. **Gross Profit (GP) Percentage** This is your most important KPI. It's the percentage of revenue left after you subtract the cost of the goods you sold. For example, a 70% GP on your bar means that for every €100 of drink you sold, it cost you €30, leaving €70 in gross profit.

- What to look for: Is this number going up or down? Is it different from *last* month? Is it lower than your "target" GP? If your GP drops by even 1%, you need to know *why*.

2. **Variance / Deficit (in Euros)** This is the "gap" we talked about. It's the monetary value of the difference between what you *should* have in stock (based on sales and deliveries) and what you *actually* have.

- What to look for: This number should be as close to zero as possible. A high variance (e.g., a "€750 deficit") is a five-alarm fire. It means €750 worth of product has vanished due to waste, theft, or error. A good report will break this down by category (draught, spirits, food) so you can see where the "leak" is.

3. Stock Holding (in Euros) This is the total value of the stock you have on your premises. Why does this matter? Because *stock is cash*.

- What to look for: Is this number creeping up? A €30,000 stock holding when it should be €20,000 means you have €10,000 in cash tied up in your storeroom that *could* be in your bank account, paying wages or bills. It's a sign of over-ordering.

Digging Deeper: From "What" to "Why"

Once you have the "Big 3," you can use the rest of the report to diagnose the "why."

- Look at Line-Item Deficits: The report should show you the variance for *every single product*. Don't just look at the total "€750 deficit." Look inside. You might find that €500 of that deficit is from *one single product line*, like your house vodka or a specific craft beer. You have just found the exact source of your problem.

- Check Your Yields: For draught products especially, look at the "yield." This tells you how many pints you're *actually* getting from a keg versus what you *should* be getting. A low yield is a clear sign of over-pouring, fobbing, or line-cleaning issues.

- Spot Slow-Moving Stock: A good report will flag items that haven't sold at all. That case of fancy liqueur or niche craft beer? It's "dead stock." It's time to run a promotion, get it off the shelf, and not re-order it.

The Most Important Step: The Consultation

A stocktake report should not be a one-way communication. The real value is in the follow-up. A professional stocktaker should *always* offer a consultation to walk you through the report.

This is your chance to ask questions:

- "Why is my food GP down?"
- "What does this variance on wine mean?"
- "What do you suggest we do to fix this draught yield?"

A report is just data. The consultation turns that data into an *action plan*. It's this combination that transforms stocktaking from an "expense" into the most valuable "investment" you can make in your business's profitability.

As Limerick's leading [stocktaking company in Limerick](#), we don't just give you a report; we give you a roadmap.