

REPORTS

In addition to the cost report (e) above, LEO produces automatically:

Weekly Stock Analysis Statement showing for each category:

- (a) Quantity held in stock in all warehouses together.
 - (b) Quantity of overseas purchases which have not yet been delivered.
 - (c) Average price per unit.
 - (d) Normal weekly usage.
 - (e) Number of weeks stock held.
 - (f) Quantity to be purchased to bring stock to minimum level.
- Weekly Purchase Summary, showing the price paid during the previous week for selected items of stock, so that the buying management may be aware of the trend of current prices.

Weekly Exhaust Reports showing the identification numbers of the lots for which no stock remains.

Monthly List of slow-moving stocks showing the date of purchase and warehouse in which stored.

Quarterly Stock Valuation Sheet, showing details, location, and valuation of stock at both actual purchase price and at current average prices.

TIMING OF JOB

The weekly Stock Analysis and the Batch Profit/Loss Statement are required first thing on Monday morning, and must include transactions up to and including the previous Friday. These statements are used each Monday morning when buying and production policies are discussed.

By using LEO, it is possible to produce all the required information on Saturday morning in a form suitable for immediate photocopying, so that the results are available for the buying and production management on Monday morning.

This job is done in two main parts, the first covering the maintenance of stock records and the calculation of new average prices, and the second making use of the prices and of the totals of movements and stocks aggregated in the first part, to produce the weekly stock analysis and other reports. The flow chart shows the logical sequence carried out by LEO in the stock record part of the job.

The LEO Automatic Office

STOCK CONTROL

JOB NO. L.4

GENERAL

This job covers the stock control of goods purchased from home and foreign markets. The goods concerned are subject to appreciable price fluctuations as a result of which a complicated system of budget and batch price control is applied. At the close of business each week it is necessary to perform some 35,000 calculations so that the necessary control figures can be reported to management on the following Monday morning. The computer is able to perform, in one hour, this work which would otherwise involve appreciable week-end overtime, and the results so produced can be relied upon to be completely accurate.

The goods are stored in a number of warehouses, and separate stock control records are maintained for each warehouse. When goods are issued to the factory, they are charged against the appropriate production batch. At the end of the week, the value of goods charged to each batch is compared with a standard cost, and also a short-term budget, and the profit or loss on standard and budget is reported.

The stock record part of the job has 1,340 orders in the programme; the stock analysis and profit and loss part of the job has 1,344 orders in the programme. The programmes have been altered from time to time according to changes in requirements.

The job commenced on LEO in October, 1954, and it has been carried out weekly since then.

PURCHASES

When purchases are made, LEO requires the following information as input data :

- (a) Lot identification number.
- (b) Stock category identification number.
- (c) Price.
- (d) Oncost rate to be applied.
- (e) Weight per unit.
- (f) Number of units.
- (g) Location.

LEO uses this information to carry out the following processes :

- (a) To set up a stock record for each lot.
- (b) To amend the appropriate category stock record, i.e. that to which the lot is related.
- (c) To calculate the oncost for the new lot, add it to the purchase price and calculate a new average price for the category.

ISSUES

When goods are issued to the factory, LEO requires the following information :

- (a) Lot number.
- (b) Stock category identification number.
- (c) Quantity.
- (d) Identification number of production batch to be charged.

LEO uses this information to :

- (a) Credit the appropriate lot record.
- (b) Credit the appropriate category record.
- (c) Debit the production batch.
- (d) Accumulate all charges against each production batch and compare the total with the standard cost and also the budget.
- (e) Report profit/loss on standard and budget.

