RETAIL OPERATIONS AUDIT TEMPLATE

Retail Stock Audit Checklist

Use this checklist to verify receiving, storage, shelf availability, physical counts, system accuracy, stock movements, shrink controls, variance investigation, and accountable corrective action across a retail location.

STORE / LOCATION	AUDIT DATE	AUDITOR	AUDIT SCOPE

1. Audit setup and stock control scope

1 Confirm the audit location, date, auditor, stock areas, departments, and SKU categories included in scope.
CRITICAL | AUDIT METADATA + GEO-LOCATION

LOCATION | Captured — DATE | Auto — SHIFT | Select

Execution tip: Assign the audit to the correct store and stock zones. Use geo-fencing and server timestamps so the submission can be traced to the intended location and audit window.

2 Verify the item master, barcodes, units of measure, pack sizes, and category assignments are current and accurate.
CRITICAL | MASTER DATA REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Sample high-volume, high-value, and recently added SKUs. Record item code, description, barcode, unit of measure, pack conversion, category, and any master-data error.

3 Capture the system stock snapshot and approved stock-movement cut-off time before counting begins.
CRITICAL | TIMESTAMP SNAPSHOT

ACTUAL | Enter value — TARGET | Set range — Create action

Execution tip: Record the system quantity extract time and freeze or separately track receipts, sales, transfers, and adjustments posted after the cut-off.

4 Identify high-value, high-shrink, regulated, seasonal, and promotional stock that requires additional audit coverage.
RISK CLASSIFICATION

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Classify priority SKUs before counting so sample size, evidence, recount, and approval requirements match the financial and operational risk.

5 Review previous stock audit variances, repeat discrepancies, overdue actions, and unresolved inventory issues.
PRIOR FINDING REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Display open and repeat findings at the start. Verify whether earlier corrections were sustained instead of treating every audit as a new event.

6 Confirm the approved count method, tolerance limits, recount rules, and escalation thresholds for this audit.
CRITICAL | COUNT METHOD + TOLERANCE

Item	Status	Owner	Due	Evidence

Execution tip: Document whether the audit uses blind counts, wall-to-wall counts, cycle counts, sample counts, or dual counts. Set numeric tolerance and mandatory escalation rules before execution.

2. Receiving and goods inward controls

7 Verify sampled deliveries match the purchase order, supplier document, expected SKU, quantity, and receiving location.

CRITICAL | RECEIVING SAMPLE GRID

Item	Status	Owner	Due	Evidence

Execution tip: Capture supplier, purchase order, delivery document, item code, expected quantity, received quantity, variance, and receiving employee for each sampled delivery.

8 Confirm received products are scanned or entered using the correct barcode, unit of measure, and pack conversion.

CRITICAL | BARCODE + QUANTITY TEST

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Test cartons, inner packs, and single units where relevant. Incorrect pack conversion can create large system stock errors even when the physical delivery is correct.

9 Check received stock for damage, expiry, temperature, seal condition, and other category-specific acceptance criteria.

CRITICAL | CONDITION CHECK + EVIDENCE

Add live photo | Add comment | Create action

Execution tip: Use the acceptance standard for each category. Capture readings, expiry dates, damage type, quantity affected, live photos, and disposition for failed items.

10 Verify receiving discrepancies are recorded and approved before the delivery is posted into inventory.

CRITICAL | DISCREPANCY WORKFLOW

Item	Status	Owner	Due	Evidence

Execution tip: Do not allow quantity or condition differences to be corrected informally. Record the variance, reason, supporting evidence, owner, approval, and supplier follow-up.

11 Confirm the receiving date, time, dock or entry point, and responsible employees are recorded.

TIMESTAMP + PERSONNEL LOG

Item	Status	Owner	Due	Evidence

Execution tip: Use server timestamps and named users. For controlled or high-value receipts, require two-person verification and photo evidence.

12 Verify rejected, quarantined, short-delivered, and excess stock is physically separated and correctly reflected in the system.

CRITICAL | STATUS + LIVE PHOTO

Add live photo | Add comment | Create action

Execution tip: Capture item, quantity, reason, physical location, system status, owner, next action, and due date. Prevent quarantined stock from becoming available for sale.

3. Stockroom organization and storage accuracy

13 Verify every storage location, shelf, bin, cage, and rack has a clear and accurate location identifier.

LOCATION LABEL CHECK

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Compare physical location labels with the inventory system. Record missing, duplicate, damaged, or misleading labels that can cause misplaced stock.

14 Confirm products are stored in the correct assigned location and not mixed with unrelated SKUs.

CRITICAL | LOCATION COMPARISON + PHOTO

Add live photo | Add comment | Create action

Execution tip: Sample locations in both directions: system-to-floor and floor-to-system. Capture misplaced items and the correct destination location.

15 Verify FIFO or FEFO rotation is followed for dated, perishable, seasonal, or time-sensitive products.

CRITICAL | EXPIRY SEQUENCE CHECK

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Record the oldest and newest dates in the sampled location. Flag stock placed out of sequence or products approaching expiry without a disposition plan.

16 Check damaged, returned, expired, display, demo, reserved, and customer-held stock is clearly segregated.

CRITICAL | STOCK STATUS CONTROL

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Use separate physical locations and system statuses. Capture quantity, label, ownership, and whether the stock is included or excluded from available inventory.

17 Confirm high-value and controlled products are secured with restricted access and documented custody.

CRITICAL | ACCESS CONTROL REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Validate locks, cages, key or access logs, named custodians, count frequency, and evidence for any access outside the approved process.

18 Identify loose, unlabelled, open-pack, or unidentified products and assign immediate reconciliation actions.

EXCEPTION LOG + ACTION

Item	Status	Owner	Due	Evidence

Execution tip: Capture a live photo, item description, suspected SKU, quantity, location, owner, due time, and final classification before the audit closes.

4. Sales floor availability and replenishment

19 Measure on-shelf availability for sampled core, high-velocity, promotional, and priority SKUs.

CRITICAL | SKU AVAILABILITY SAMPLE

Item	Status	Owner	Due	Evidence

Execution tip: Record SKU, expected shelf location, shelf quantity, backroom quantity, availability status, and time checked. Use a defined sample rather than a general visual impression.

20 Verify products shown as available in the system can be located on the shelf or in the backroom.

CRITICAL | SYSTEM-TO-PHYSICAL TEST

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Sample positive stock balances and trace each item physically. Log phantom stock, incorrect locations, damaged stock, and stock reserved for another purpose.

21 Confirm shelf gaps are replenished within the approved service interval.

REPLENISHMENT TIMER

ACTUAL | Enter value
TARGET | Set range
Create action

Execution tip: Capture the time the gap was identified, task assignment, completion time, and final shelf photo. Escalate overdue priority-SKU replenishment.

22 Verify promotional, seasonal, launch, and advertised products have the required stock available for sale.

CRITICAL | CAMPAIGN STOCK CHECK

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Compare the campaign plan, expected minimum stock, shelf quantity, backroom quantity, inbound stock, and likely demand for the remaining campaign period.

23 Check facings, shelf capacity, and display quantity do not hide an out-of-stock or overstock condition.

FACING COUNT + CAPACITY

Item	Status	Owner	Due	Evidence

Execution tip: Capture required facings, actual facings, shelf capacity, actual units, and whether product spreading is masking a gap.

24 Record every sampled out-of-stock with its root cause, replenishment action, owner, and expected resolution time.

CRITICAL | OOS ACTION WORKFLOW

Item	Status	Owner	Due	Evidence

Execution tip: Use standard root-cause options such as no backroom stock, misplaced stock, receiving delay, count error, supplier issue, or replenishment delay. Require action and escalation for priority items.

5. Cycle counts and physical stock counting

25 Verify scheduled cycle counts were completed for the required locations, categories, and risk groups.

CRITICAL | SCHEDULE COMPLETION REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Compare the count calendar with completed submissions. Escalate missed or late counts, especially for high-value and high-shrink categories.

26 Confirm counters perform blind counts when required and cannot see the expected system quantity before entry.

CRITICAL | BLIND COUNT CONTROL

Item	Status	Owner	Due	Evidence

Execution tip: Hide expected quantities until the first count is submitted. This reduces confirmation bias and makes the physical result more reliable.

27 Verify material differences trigger an independent recount by another authorized employee.

CRITICAL | RECOUNT WORKFLOW

Item	Status	Owner	Due	Evidence

Execution tip: Set numeric and percentage thresholds. Record first count, second count, final accepted count, recount employee, and manager decision.

28 Check quantities are recorded in the correct unit of measure, including cartons, packs, pairs, weights, or individual units.

CRITICAL | COUNT + UNIT VALIDATION

Item	Status	Owner	Due	Evidence

Execution tip: Display the expected counting unit and pack conversion beside the question. Require comments when mixed units or open packs are counted.

29 Confirm stock movements during the count are frozen, time-stamped, or separately recorded for reconciliation.

CRITICAL | MOVEMENT CUT-OFF LOG

Item	Status	Owner	Due	Evidence

Execution tip: Capture sales, receipts, transfers, returns, and adjustments that occur during counting so they can be applied after the physical result.

30 Verify completed counts include the counter, date, time, location, evidence, and supervisor sign-off where required.

COUNT EVIDENCE + SIGN-OFF

Add live photo | Add comment | Create action

Execution tip: Require named users and server timestamps. Use live photos for selected locations or high-risk items and preserve the complete count history.

6. Inventory accuracy and system reconciliation

31 Compare physical quantities with system quantities and calculate unit, percentage, and financial variance.

CRITICAL | VARIANCE CALCULATION

ACTUAL | Enter value

TARGET | Set range

Create action

Execution tip: Capture expected quantity, physical quantity, unit variance, variance percentage, unit cost, and estimated financial impact for every material difference.

32 Investigate negative inventory balances and confirm whether the cause has been corrected.

CRITICAL | NEGATIVE STOCK REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Record SKU, negative quantity, transaction history, likely cause, correction, approver, and any broader process issue such as delayed receiving or incorrect unit conversion.

33 Identify products physically present when the system shows zero or no active stock record.

CRITICAL | ZERO-STOCK EXCEPTION

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Capture item identity, barcode, quantity, source, physical location, and whether the item is unreceived, misclassified, discontinued, or linked to the wrong SKU.

34 Check for duplicate SKUs, incorrect variants, wrong categories, or products mapped to the wrong inventory record.

MASTER DATA EXCEPTION GRID

Item	Status	Owner	Due	Evidence

Execution tip: Compare description, variant, barcode, size, colour, unit, and category. Assign master-data corrections separately from physical stock corrections.

35 Verify inventory adjustments are supported by a valid reason, evidence, named user, and correct approval.

CRITICAL | ADJUSTMENT SAMPLE GRID

Item	Status	Owner	Due	Evidence

Execution tip: Sample adjustments by value, user, reason, and frequency. Record the before quantity, adjustment, after quantity, evidence, operator, and approver.

36 Review stock accuracy by category, location, value band, and risk group to identify systemic patterns.

ACCURACY DASHBOARD REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Do not rely only on the overall percentage. Compare recurring variance by department, SKU type, storage zone, employee, and transaction process.

7. Transfers, returns, damages, and write-offs

37 Verify stock transfers are approved, dispatched, received, and posted at both the source and destination locations.

CRITICAL | TRANSFER SAMPLE GRID

Item	Status	Owner	Due	Evidence

Execution tip: Capture transfer number, SKU, quantity, dispatch time, receipt time, source user, destination user, shortage, excess, and unresolved status.

38 Confirm customer returns are correctly classified as saleable, damaged, repair, quarantine, or return-to-vendor stock.

CRITICAL | RETURN CLASSIFICATION

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Record return reason, product condition, quantity, refund or exchange reference, final stock status, location, and approving employee.

39 Verify return-to-vendor stock is recorded, segregated, authorized, dispatched, and closed against supplier documentation.

RTV WORKFLOW REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Track item, quantity, reason, supplier approval, dispatch evidence, credit note status, owner, and ageing of open return-to-vendor cases.

40 Check damaged, expired, obsolete, and unsaleable stock is recorded promptly and stored in the correct location.

CRITICAL | DAMAGE LOG + LIVE PHOTO

Add live photo | Add comment | Create action

Execution tip: Capture the reason, quantity, value, date identified, live evidence, physical location, owner, and planned disposition.

41 Verify write-offs and disposals meet approval, witness, evidence, and system-adjustment requirements.

CRITICAL | WRITE-OFF APPROVAL + EVIDENCE

Add live photo | Add comment | Create action

Execution tip: For material values, require dual approval, before-and-after quantities, disposal evidence, witness details, financial impact, and final system posting.

42 Review open transfer, return, damage, and write-off documents that remain incomplete beyond the approved SLA.

OPEN DOCUMENT AGEING

Add live photo | Add comment | Create action

Execution tip: Use ageing bands and assign every open document to a named owner. Escalate cases that affect available stock or financial reporting.

8. Shrink, loss prevention, and controlled stock

43 Verify high-shrink and high-value products are counted at the required frequency and variances are reviewed promptly.

CRITICAL | HIGH-RISK COUNT REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Use a tighter tolerance, shorter count interval, independent recount, and immediate escalation for material differences in priority categories.

44 Confirm security tags, locked displays, cages, and controlled storage are used according to the product risk standard.

CRITICAL | SECURITY CONTROL CHECK

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Record the control required, control observed, exceptions, live evidence, immediate containment, and responsible manager.

45 Review stockroom and controlled-area access records for unauthorized, unusual, or unrecorded access.

CRITICAL | ACCESS LOG SAMPLE

Item	Status	Owner	Due	Evidence

Execution tip: Compare access events with rosters, deliveries, counts, incidents, and adjustments. Escalate access that cannot be linked to a valid business activity.

46 Identify unusual inventory adjustments, repeated variances, voids, returns, or transactions linked to the same user or SKU.

CRITICAL | EXCEPTION TREND REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Use transaction and inventory data together. Record the pattern, period, users, items, values, supporting evidence, and investigation owner.

47 Verify suspected theft, loss, or unexplained stock disappearance is documented and escalated through the approved process.

CRITICAL | INCIDENT WORKFLOW

Item	Status	Owner	Due	Evidence

Execution tip: Preserve facts, timestamps, system records, CCTV references, physical evidence, notifications, financial estimate, and investigation status.

48 Confirm disposal or destruction of controlled stock is witnessed and reconciled to the approved quantity.

CRITICAL | WITNESSED DISPOSAL RECORD

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Capture item, quantity, reason, approval, witnesses, disposal method, evidence, system adjustment, and final reviewer confirmation.

9. Stock reporting, action, and replenishment planning

49 Review aged, slow-moving, obsolete, and excess stock against the approved ageing thresholds. AGEING REPORT REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Capture ageing band, quantity, value, last sale date, stock cover, reason, and recommended action such as transfer, markdown, return, or disposal.

50 Verify reorder points, minimum and maximum levels, and replenishment parameters reflect current demand and lead times. CRITICAL PARAMETER REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Sample fast-moving and priority items. Compare actual sales, lead time, safety stock, order frequency, stock cover, and recent out-of-stock history.

51 Measure missed sales, substitutions, or customer impact caused by stock unavailability. CUSTOMER IMPACT ESTIMATE

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Record item, time unavailable, demand evidence, lost units or value, substitution offered, customer outcome, and corrective action.

52 Review supplier fill rate, delivery reliability, lead time, and recurring receiving discrepancies. SUPPLIER PERFORMANCE REVIEW

Item	Status	Owner	Due	Evidence

Execution tip: Compare ordered, confirmed, delivered, rejected, and late quantities. Assign supplier or internal actions for repeat service failures.

53 Assign every material stock finding to a named owner with severity, due date, evidence requirement, and escalation path. CRITICAL CORRECTIVE ACTION WORKFLOW

Item	Status	Owner	Due	Evidence

Execution tip: Avoid generic ownership. Define the exact closure condition, SLA, reviewer, proof required, and automatic escalation for overdue actions.

54 Schedule follow-up counts or targeted audits to verify that corrective actions improved stock accuracy. FOLLOW-UP SCHEDULE

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Set the SKU, location, count method, due date, responsible person, expected result, and reviewer before closing the current audit.

10. Final stock audit decision and sign-off

55 Calculate the overall stock accuracy result and report it by unit, value, category, and location.
CRITICAL | ACCURACY SCORE + DASHBOARD

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Show both the overall score and the underlying risk areas. A strong total can hide material variances in high-value or priority stock.

56 Confirm material variances are escalated according to financial value, percentage, recurrence, and business impact.
CRITICAL | MATERIAL VARIANCE ESCALATION

ACTUAL | Enter value — TARGET | Set range — Create action

Execution tip: Use predefined thresholds and record the notified manager, notification time, containment decision, investigation owner, and due date.

57 Record the estimated financial impact of shortages, excesses, write-offs, and unresolved stock differences.
CRITICAL | FINANCIAL IMPACT VALUE

ACTUAL | Enter value — TARGET | Set range — Create action

Execution tip: Separate confirmed loss, timing difference, master-data issue, unposted movement, and unresolved variance. Preserve the calculation source.

58 Verify no unresolved critical stock issue remains without containment, ownership, and management approval.
CRITICAL | CRITICAL ACTION CONFIRMATION

Compliant | Partially compliant | Non-compliant | N/A

Execution tip: Prevent final approval while a critical finding lacks containment evidence, named ownership, resolution deadline, and escalation.

59 Record the final audit decision, approver, comments, signature, and any conditions attached to approval.
CRITICAL | APPROVAL DECISION + SIGNATURE

Approved | Approved with actions | Not approved — SIGNATURE | Sign

Execution tip: Use approved, approved with actions, or not approved. Require comments and a complete audit trail for conditional or rejected outcomes.

60 Set the next stock audit, cycle-count schedule, and management review date based on the risk identified.
REVIEW DATE + SCHEDULE

Item	Status	Owner	Due	Evidence

Execution tip: Increase count frequency for repeat or high-value variances and preserve the agreed monitoring plan with named accountability.