

Key Terms

Key Term	Definition
Yield	Yield is a number of servings from a particular product (i.e. 8 pints in a gallon)
Gross Profit (GP)	Gross profit is the profit a company makes after deducting the costs associated with making and selling its products, or the costs associated with providing its services. This is often given as a percentage.
Cost of Sale (COS)	Cost of Sale refers to the direct costs of producing the goods sold by a company. This is often given as a percentage.
Stock Holding (Days)	Stock Holding is the value of goods, such as parts, materials, and finished products, that a company has available at a particular time. This can be calculated in order to calculate the number of days cover the business has in its inventory. This is calculated by conducting the following calculation: (Close Stock / Consumption) x days in the stock period
Surplus	A surplus describes the amount of an asset or resource that exceeds the portion that's actively utilised. A surplus can refer to a host of different items, including income, profits, capital, and goods.
Deficit	A deficit is an amount by which a resource, especially money, falls short of what is required. A deficit occurs when expenses exceed revenues, imports exceed exports, or liabilities exceed assets. A deficit is synonymous with shortfall or loss and is the opposite of a surplus
Delivery	Delivery is the receipt of goods following order, for example, a liquor stock order.
Allowance	An allowance is a monetary figure that compensates for a shortfall in revenue. An example of this is within cocktails. If a shot of Vodka has a retail price of £4.00 and a bottle of Tomato Juice is set at £2.50, but a Bloody Mary has a retail price of £5.00. The stock would be expecting £6.50 for this drink due to the retail prices of the ingredients. a £1.50 allowance is given to compensate for this shortfall.
Revenue	Revenue is the income that a business has from its normal business activities, usually from the sale of goods and services to customers.
Gross	Gross in a financial sense means an initial amount before any deductions, expenses, or withholdings.

Key Term	Definition
Net	Net income is the residual amount of earnings after all expenses have been deducted from sales.
Discount	Discount is a <i>deduction from the usual cost of something</i>

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