

## 8.1

**FINANCIAL GUIDELINES WITH REGARD TO PURCHASING AND SELLING LIQUOR IN RESIDENCE CLUBS**

**Policy number: 001A/06/04**

**Scope: The policy provides the financial guidelines with regard to purchasing and selling liquor in residence clubs.**

**Policy:**

**PURCHASING**

- All purchases of liquor must be done by means of a stock requisition via the Purchasing and Provision Services Division.
- The treasurer of the residence is responsible for keying in the stock requisition.
- Stock requisitions are keyed in against account number 2383 (Refreshments – non academic) and store code 7313 (Liquor Store – Purchases).
- Stock may be purchased only by means of stock requisitions and may under no circumstances be supplemented by cash purchases.
- The stock requisition shall be approved by the resident warden (changed to status 2). Financial Services is not authorised to provide such approval for purchases.

**SELLING**

- All cash must be kept in a cash box which is to be locked away in a safe.
- An advance of R250.00 may be kept in the cash box, but this advance is only to be used for the purpose of providing change and may not amount to less than the initial advance.
- Only the person responsible in charge of the club may keep the key to the cash box. A duplicate key shall be kept in a sealed envelope by the Funds and Assets Control Division.
- No personal advances may be allocated from the cash box.
- The person responsible may not supplement the cash advance in the cash box from his/her own pocket.
- The cash and receipt book shall be locked in the safe and the key should be carried by the residence treasurer on his/her person.
- The treasurer and person responsible shall count the money, after which the treasurer will issue an official receipt for the cash receipts of the day to the person responsible, always in numerical sequence. This money must immediately be deposited by the treasurer at the cost point of the residence and the SU receipt obtained from the cashier must also be handed to the person responsible for safekeeping.
- Receipt books are available from the Financial Services Division. A separate official SU receipt book must be kept for liquor sales.
- All cash must be deposited each day with the cashiers, accompanied by a completed deposit slip (available from the cashiers). An official University receipt will then be issued. It must be clearly indicated on the receipt that the receipt of cash involved liquor sales. No cash may be allowed to lie around, since the University is not insured against money that is lost.
- All deposits must be made against account number 5597, sundry income taxable. The sale of liquor is subject to the payment of 14% VAT. When determining the selling price of the liquor, 14% VAT should be taken into account.

- If a receipt needs to be cancelled, "Cancelled" should be written across the original receipt, which, as in the case of all copies, must be kept in the receipt book.
- Full receipt books must be taken to the Financial Services Division.
- No duplicates of safe keys may be made.

### STOCK CONTROL

- Each residence must keep an up-to-date sales control form for each event. As soon as all sales for an event have been completed, the sales control form must be reconciled with the cash receipts for the event. This reconciliation should be carried out by the treasurer and the person responsible. Any surpluses or deficits must be declared on the sales control form.
- Example of a sales control form:

Item	Quantity purchased	Purchase price	Selling price	Total selling price
Beer	10	R5.00	R8.00	R80.00
Cold drinks	20	R3.00	R5.00	R100.00

Reconciliation:

Total sales           R180.00  
Cash received         R180.00

Surplus/(Deficit)     R0.00

- At the end of each calendar month, the treasurer and the head student or deputy head student must do a complete stock take. The stock list must be signed by the treasurer and the head student or deputy head student. The stock on hand must be reconciled with the sale control forms, stock requisitions, receipt book and the payments made. Any surpluses or deficits must be declared.
- The sales control forms, SU receipts issued by cashiers, receipt book and stocktaking form must be submitted to Financial Services on the last Thursday of each month.
- Cash and stock counts may be made at any time by the external auditors and/or the Finance Division.

**Contact Division:**

Financial Services