

	<b>RESOURCE LIBRARY – ACCOUNTING Point of Sales Control</b>	<i>CODE:</i> 05.04.003 <i>EDITION:</i> 1 <i>PAGE</i> 1 OF 2
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## Objective

To ensure all revenue earned from hotel operations is captured and recorded accurately.

## POLICY

All goods and hotel services must be charged for at the time that the service is provided, for resident and non-resident guests.

## PROCEDURE

### a) FOOD AND BEVERAGE

1. All procedures outlined in "Revenue Recording" can be applied to the Food and Beverage department of the hotel.
2. Additionally there are cost control procedures relating to the departmental revenue, as stated in "Revenue Control" of this manual, which can be applied.

### b) TELEPHONE

1. For operators assisted calls the procedures outlined in "Revenue Recording" may be applied.
2. A PBX system allows direct dialling facility and provides metering or pricing of all calls. As such, the PBX will measure the number of units or indicate directly the amount used in making a telephone call and on completion, will initiate a charge to be made to the guest's folio. The basic data input has to be controlled regularly by comparing it with the official Telecommunication rates.
3. The rates to be charged should be determined by the Controller and General Manager based on the rates applied by the telephone service. On a monthly basis, the Controller should arrange for the cost of calls provided to guests to be compared with the expected cost of the revenue earned. This should be monitored against the expected margin.
4. A system shall be available to block the telephones in guestrooms to prevent unauthorised use when the rooms are not in use.
5. Administrative telephones must be accounted for separately and the departments charged monthly according to their utilisation.

### c) LAUNDRY VALET AND DRY CLEANING

1. The charges for these services shall be controlled as per the general procedures outlined in "Revenue Recording".

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2. Where an outside laundry provides these services, controls should be made to ensure the prices charged by the hotel to the guest agree with those indicated on the guest laundry and dry cleaning lists.

**d) OTHER OPERATED DEPARTMENTS**

1. This includes the provision of business services and leisure facilities. The charges for these services shall be controlled as per the general procedures outlined in "Revenue Recording".
2. Where these services are related to costs, which will be charged to the hotel such as couriers, controls shall be made to ensure that guests have been properly charged and that the hotel does not incur a loss in revenue.

**e) OTHER INCOME**

1. Although not a Point of Sales, the Controller is directly responsible for ensuring that other income (rentals, concessions or other sources) is properly recorded.
2. The Controller should be fully aware of all agreements the hotel has entered into.
3. The hotel may choose to concede the privilege of providing services, which might be operated by the hotel itself to an outside company, in return for a percentage commission on turnover. In order to operate such concessions, a contract containing all the terms and conditions must be signed by both parties. Normally these concessions are considered as an extension of service to guests, who are allowed to sign checks for the service. These are then chargeable to the guest's folio. The hotel acts as collecting agent for the concessionaire and the commission is deducted before payment of the revenue is made.
4. Before allowing a third party to operate a concession, the Controller must ensure that the service provider has adequate product and public liability insurance cover. The Controller should obtain a copy of the service provider's insurance policy and a copy of the broker or underwriter's receipt for premium paid. These should be obtained on an annual basis to ensure the insurance policy has been renewed.

The amount of insurance coverage required may be different depending upon the nature of the service provided and the associated insurance risks. Thus, doctors will need a higher level of coverage than laundry operators. The amount of coverage required should be negotiated by the Controller, who if uncertain should consult with the Corporate Financial Controller.