	RESOURCE LIBRARY – ACCOUNTING Rooms Revenue Control	<i>CODE:</i> 05.04.004
		<i>EDITION:</i> 1
		<i>PAGE</i> 1 OF 5

Objective

To ensure the hotel records all the revenue it earns from the letting of accommodation.

POLICY


The hotel will charge its guests at a previously agreed daily rate for accommodation. The guest will be charged on his guest folio at night, except if rooms are let for "day-use" or late check out, in which case the charge will be made at the time of check in or at the time a request for a late check out is received.

PROCEDURE

a) ROOM RATES

1. Upon arrival, all guests should complete a guest registration card. In the case of group check in and VIP arrivals who are escorted to their rooms by a receptionist, reception should ensure a signed registration card is later returned to reception.
2. With the guest registration card, reception should immediately check the guest into the computer system. Reception should ensure all information on the registration card is complete and correct and again, the room rate to be charged.
3. The registration card and other documents related to the guest's stay will be filed in the room trays directly.
4. The night receptionist should print potential rooms' revenue report immediately before the night auditor posts "room and tax". This report and revenue contained therein should later be referred to, to prove room revenue charged by the system.
5. Posting of "room and tax" is completed automatically by the system as a result of the night audit daily closing procedure.
6. There should be an agreed cut-off time at which the folios are charged. After this time, all new arrivals should have their room revenue charged on the following day. The cut-off time should be set at a time suitable to local requirements but should ensure most arrivals have been accounted for (generally between 2 am and 3 am).
7. Income audit should sample check the accuracy of room rates charged to the guest's folio against underlying agreements. This check should be performed on a regular basis by completing a "rate verification report". Cross checking between postings under the department code "rooms revenue" and the potential rooms revenue report is also required.

The frequency of this check should be at least three times per week and consider all rooms, which were charged at less than 50% of rack rate subject to a maximum of ten rooms. Complimentary, house use and out of order rooms are not to be selected as part of this test.

	RESOURCE LIBRARY – ACCOUNTING Rooms Revenue Control	<i>CODE:</i> 05.04.004
		<i>EDITION:</i> 1
		<i>PAGE</i> 2 OF 5

Income audit should spot check a random number of reasons given against reservation correspondence and any discrepancies are to be reported to the Controller immediately.

b) ROOMS DISCREPANCIES

1. In most instances, housekeeping is perpetually updating the physical room status throughout the day and as such, the status and the report are constantly changing.

Due to this, our approach to room status verification needs to be proactive rather than reactive and thus, the assistant manager/night manager should review any discrepancies between housekeeping and front office and investigate to ensure that all occupied rooms have been or will be charged.

2. Should incorrect input or other clerical errors cause a difference in room status, the status should be changed accordingly. Password control should be set up to ensure only assistant managers, night managers and more senior employees are able to adjust room status.
3. Discrepancies other than those mentioned above should be reported to the Front Office Manager and Financial Controller immediately.
4. Financial Controller should check that the above mentioned controls are done and that spot checks are performed by his staff.


c) COMPLIMENTARY ROOMS REPORT

1. The complimentary rooms' report should be extracted from the front office system and authorised by the Front Office Manager and passed to income audit.

As no complimentary rooms are to be issued without a prior approved "Complimentary Rooms Request", income audit should spot check on a regular basis that this documentation is available in the front office for each such room.

d) RATE CHANGE AND ROOM CHANGE

1. Changing room or any change in the room rate for in-house guests will require a room change form to be raised. This should detail:
 - the guest name
 - the room number originally occupied
 - the room number of the newly allocated room
 - reason for the change
 - any change in the rate to be charged for the new room

	RESOURCE LIBRARY – ACCOUNTING Rooms Revenue Control	CODE: 05.04.004
		EDITION: 1
		PAGE 3 OF 5

- This form should be authorised by the Front Office Manager and should have one copy for distribution to housekeeping in addition to the original, which should be retained by reception.


e) ALLOWANCES FOR ROOMS REVENUE

- The Front Office Manager or assistant should approve allowances before the amount is credited to either a guests folio or account in accounts receivable. A plausible explanation must be given on the allowance voucher and sufficient documents should be attached to support the original charge and explanation given. Final approval must be given by the Controller and General Manager.

PHYSICAL ROOM CHECK REPORT

Date: ____ / ____ / ____

NUMBER	VACANT ROOMS PER NIGHT AUDIT	PHYSICAL ROOM STATUS	TIME OF CHECK
1			
2			
3			
4			
5			
6			

	RESOURCE LIBRARY – ACCOUNTING Rooms Revenue Control	<i>CODE:</i> 05.04.004
		<i>EDITION:</i> 1
		<i>PAGE</i> 4 OF 5

NUMBER	OUT OF ORDER ROOMS PER NIGHT AUDIT	PHYSICAL ROOM STATUS	TIME OF CHECK
1			
2			
3			
4			
5			
6			

Performed by:

Checked by:

Approved by:

Security Officer

Night Manager

Controller



**RESOURCE LIBRARY – ACCOUNTING
Rooms Revenue Control**

CODE: 05.04.004

EDITION: 1

PAGE 5 OF 5

RATE VERIFICATION REPORT

Date: ____ / ____ / ____

NUMBER	ROOM NUMBER	RACK RATE	RATE CHARGED	DISC. %	REASON
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Prepared by:

Completed by:

Approved by:

Income Auditor

Front Office Manager

Controller