



# BRETHREN IN CHRIST CHURCH

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MATOPO BOOK CENTRE FINANCE AND  
ADMINISTRATION MANUAL

3/16/2012

# **BICC MATOPO BOOK CENTRE**

## **FINANCE & ADMINISTRATION POLICIES**

1.0 The responsibility of all financial and human resources management issues rests with the Finance & Administration Manager who shall provide for the following;

- 1.1 Preparation of Financial Statements
- 1.2 Preparation of Budgets and Cash-flows
- 1.3 Control of finances and accountability
- 1.4 Implementation of human resources policies
- 1.5 Communication with banks, other investments centres, and other stakeholders

## **2.0 Preparation of Financial Statements Policy**

### **2.1 Policy Objectives are to ensure that;**

- 2.1.1 Financial Statements are free from material misrepresentation
- 2.1.2 Financial Statements are prepared in accordance with Generally Accepted Accounting Procedures (GAAP) and conform to International Financial Reporting Standards (IFRS)
- 2.1.3 Financial Statements are produced on time
- 2.1.4 All relevant financial statements are produced

### **2.2 Procedures on Preparation of Financial Statements**

- 2.2.1 Financial Statements shall be produced on an accrual basis.
  - 2.2.1.1 The frequency of Financial Statements preparation shall be monthly, on or before the 15<sup>th</sup> of the following month.
  - 2.2.1.2 The Annual Financial Statements shall be produced on or before 45 days after the year end.
  - 2.2.1.3 There shall be Financial Statements of every branch and Consolidated Financial Statements.
- 2.2.2 There shall be provision for depreciation as follows: land & Buildings (5% per annum), Motor Vehicles (20% per annum on a **Reduced Balance Method**), Furniture, Fittings & Fixtures, as well as other office equipment (10% per annum on a **Straight Line Method**).
- 2.2.3 Stock valuation shall be conducted every month, on a **First In First Out** valuation method.
- 2.2.4 The major financial statements to be produced are; **Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash-flows, Statement of Changes in Equities and Notes to the Financial Statements.**

- 2.2.5 Financial statements shall be analyzed by the management team and copies sent to the Internal Auditor, the MBC Administrative Committee and, subsequently, to BICC Finance Board.

### **3.0 Policy on Other Statements**

#### **3.1 Policy Objectives shall be to ensure that;**

- 3.1.1 All other relevant financial information for decision-making is available.
- 3.1.2 Enhanced and comprehensive analyses are carried out before cash is spent.

#### **3.2 Procedures on Other Statements**

- 3.2.1 Other statements that need to be prepared are Budgets, Reconciliations and Cash-flow Statements.
  - 3.2.1.1 Budgets shall be prepared on monthly basis and annual basis.
  - 3.2.1.2 Variation on actual performance and budgets shall be analyzed and corrective measures, where possible be taken.
  - 3.2.1.3 Relevant reconciliations, i.e., Bank, Creditors, Debtors, etc. shall be carried out every month.
  - 3.2.1.4 Cash-flow budgets and actual Cash-flow shall be compared.
  - 3.2.1.5 Actual Cash-flows shall be on a daily basis while the Cash-flow budgets shall be on a weekly, monthly, quarterly, half-yearly and annual basis.
- 3.2.2 Preparation of other statements, beside those stated above shall be on an ad-hoc basis.

### **4.0 Control of Finances and Accountability**

#### **4.1 Policy Objectives shall be to ensure that;**

- 4.1.1 All cash and financial assets are accounted for.
- 4.1.2 Only proper and authentic documentation shall be used.
- 4.1.3 Usage of money is properly and adequately authorized.
- 4.1.4 Financial Security features are restricted to authorized personnel.

#### **4.2 Procedures on Control of Financial and Accountability**

- 4.2.1 Till Operators/Cashiers at outside branches shall deposit all monies received with their Branch Managers who will ensure such monies are banked on or before 10am of the following morning. However, if substantial cash is received before 12 noon, it should be banked on the same day.
- 4.2.2 For Branches in Bulawayo, cash should be deposited (after close of every business day) with Finance Department which has the responsibility to secure and bank it.
- 4.2.3 Cash shall be banked daily and records kept.
- 4.2.4 All payments shall be for proven expenses as supported by documents. (If prepayments are to be made, they should be for reputable suppliers).

- 4.2.5 The signing order of documents shall be; The Accounts Clerk (expenses voucher), The Buyer (Order), Marketing and Operations Manager (Requisition & Order), Finance & Administration (Expenses Voucher and Order), General Manager (Expenses Voucher, Order, Bank Letter & Cash Requisition/Cheque), and any Bank authorized Signatory (Bank Letter and Cash Requisition/Cheque).
- 4.2.6 Payees (or their representatives) shall produce national identification particulars and sign for cash or cheque received, stating their names in full and organizations they represent.
- 4.2.7 All Financial vouchers shall be serialized and their records be kept by the Finance Department.

## **5.0 Financial Communications Policy**

### **5.1 Policy Objectives are to ensure that;**

- 5.1.1 The Organization is aware of financial development relevant to it.
- 5.1.2 Outside stakeholders, like Bankers, External Auditors, etc., receive correct and relevant information.

### **5.2 Procedures on Financial Communications**

- 5.2.1 The responsibility of Financial Statements preparations lies with the Finance and Administration Manager.
- 5.2.2 The Finance & Administration Manager provides for communication lines with Bankers, Creditors, and Auditors. (No unauthorized person is allowed to issue out financial information to outsiders).
- 5.2.3 The General Manager communicates with the Committee on all Financial Matters; the Finance and Administration Manager can, from time to time, be asked to present certain information to the Committee.

## **6.0 Human Resources Management Policy**

### **6.1 The Policy Objectives are to ensure that;**

- 6.1.1 Recruitment Procedures are followed.
- 6.1.2 Workers are trained and developed to the demands of their work.
- 6.1.3 Disciplinary actions are taken where necessary.
- 6.1.4 Performing workers are rewarded.
- 6.1.5 Health & Safety requirements are adhered to.
- 6.1.6 Good public relations are pursued.

### **6.2 HRM Procedures**

- 6.2.1 Vacant posts shall be advertised in all BICC institutions.

- 6.2.2 Interviews shall be conducted and best interviewees who meet minimum requirements shall be employed.
- 6.2.3 Performance appraisals shall be conducted; employees falling below standards shall be counseled, and be expected to perform to expectations. Perpetual underperformers shall be disciplined accordingly.
- 6.2.4 Workers shall be properly inducted to the organization's systems, proper training shall be conducted where necessary.
- 6.2.5 All workers shall be trained in health and social obligations such as First Aid, HIV/AIDS. (Adherence to HIV/AIDS policy is a must)
- 6.2.6 Workers shall be appraised of the Code of Conduct.
- 6.2.7 The Finance & Administration Manager shall provide for good public relations.

## **7.0 Other Provisions**

### **7.1 The Objectives of Other Provisions are to ensure that;**

- 7.1.1 Matopo Book Centre runs efficiently.
- 7.1.2 All personnel are utilized.

### **7.2 Letter Box and Mail Management**

- 7.2.1 The Finance department shall ensure the Post Office Mail Box is frequently checked.
- 7.2.2 Mail received is booked and issued to relevant recipients on time.
- 7.2.3 Mail to be delivered to outsiders shall be booked and signed for by recipients.

### **7.3 Switchboard and Reception Area Management**

- 7.3.1 Visitors at the Reception Area are attended to on time.
- 7.3.2 No parcels are allowed to be left at the Reception Area.
- 7.3.3 Conferencing at the Reception Area is not allowed.
- 7.3.4 Messages are forwarded to recipients on time.
- 7.3.5 In-coming telephone calls are directed to correct extensions on time.
- 7.3.6 All external calls are booked; personal calls are not allowed.
- 7.3.7 The switchboard is manned by experienced personnel at all times; no unauthorized users of the switchboard.

## Matrix of Signature

Requisition Form	Order Form	Payment Voucher	Bank Cash Requisition
<ul style="list-style-type: none"><li>• Branch Manager</li><li>• Buyer</li><li>• Marketing &amp; Operations Manager</li></ul>	<ul style="list-style-type: none"><li>• Buyer</li><li>• Marketing &amp; Operations Manager</li></ul>	<ul style="list-style-type: none"><li>• Accounts Clerk</li><li>• Finance &amp; Administration Manager</li></ul>	<ul style="list-style-type: none"><li>• General Manager</li><li>• Any Bank Authorized Signatory</li></ul>

# **BICC MATOPO BOOK CENTRE**

## **OPERATIONAL POLICIES**

8.0 The responsibility of all operations rests with the Marketing and Operations Manager who shall provide for the following;

- 8.1 Procurement procedures
- 8.2 Management of stocks
- 8.3 Security measures
- 8.4 Assets management
- 8.5 Shops operations
- 8.6 Realization of all revenue due to Matopo Book Centre

### **9.0 Stocks Procurement Policy**

9.1 **Policy Objectives are to ensure that;**

- 9.1.1 correct stocks are sourced from bona fide suppliers at competitive prices,
- 9.1.2 proper documents are received for correct stocks received,
- 9.1.3 Correct receiving documents are raised and are properly filed,
- 9.1.4 Finance department pays for goods and/or services received

9.2 **Stock Procurement Procedures**

- 9.2.1 The buyer receives stock requisitions from Branch Managers and/or Supervisors.
- 9.2.2 All things equally, three quotations are obtained, and the decision to select a supplier shall not solely depend on cost prices; a combination of factors shall be considered.
- 9.2.3 The Buyer shall raise an order document and place the order with the selected supplier.
- 9.2.4 Security personnel shall receive and verify goods to satisfy themselves that the delivery is as per delivery note or invoice. (Security personnel must ensure that goods received are free from defects; they are not damaged, there are no leakages, etc).
- 9.2.5 If correct goods are received, the security personnel shall sign delivery documents and forward such documents to the Branch Manager or Supervisor.

- 9.2.6 The Branch Manager or Supervisor shall calculate selling prices and forward the documents to the Buyer.
- 9.2.7 The buyer shall raise Goods Received Note/s (GRV).
- 9.2.8 The Buyer shall attach and forward to finance department the following documents; GRV, Order Note and Invoices.
- 9.2.9 The Buyer shall file order requisitions from branches and quote the requisition number on order form.
- 9.2.10 Items for office use shall be procured in the same manner as stocks; should they be sourced within a branch's stocks **Store Use Forms** shall be completed and stocks adjusted accordingly.
- 9.2.11 The Marketing & Operations Manager and Finance & Administration Manager shall authorize stock procurement document.
- 9.2.12 The General Manager shall approve purchases and payments for stocks.
- 9.2.13 Although exceptions might occur operations shall not be based on them.

## **10.0 Stocks Management Policy**

### **10.1 Policy Objectives shall be to ensure that;**

- 10.1.1** All stocks acquired are accounted for.
- 10.1.2** Stock losses through shop-lifting, damages etc., are minimized.
- 10.1.3** Other losses through obsolete stock, expiry dates etc., are minimized.

### **10.2 Stocks Management Procedures**

- 10.2.1 All stocks received shall be entered into Inventories (Stocks Received).
- 10.2.2 Stocks stored in the warehouse shall be entered into Stores 2 in the Computer system. (For branches without inventory computer systems the manual kardex system shall be used).
- 10.2.3 All stocks moved into shops from the warehouse shall be transferred from store 2 to store 1 (from warehouse stocks to retail stocks).
- 10.2.4 Stocks transferred to other branches shall be accompanied by Stocks Transfer Issues.
- 10.2.5 Stocks transferred and received towards Stock-Take days shall be accounted for in the receiving branch's stocks.
- 10.2.6 Stocks dispatched but not received by the date of Stock Count date shall be accounted for by the supposedly receiving branch as Goods In Transit (G.I.T).
- 10.2.7 Stocks transferred but not dispatched at date of Stock Count shall be accounted for in the dispatching branch's stocks.
- 10.2.8 Branches must ensure that proper stock levels are maintained so as to avoid stocks-out, stocks damages, holding costs, obsolete stocks, etc.



10.2.9 Warehouses are always secured; only authorized personnel have the access to be in such premises.

## **11.0 Realization of Revenue Policy**

### **11.1 Policy Objectives are to ensure that;**

11.1.1 All revenues due are collected.

11.1.2 Finance department has correct revenue figures.

### **11.2 Realization of Revenues Procedures**

11.2.1 Goods sold for cash shall be receipted immediately over the counter.

11.2.2 Goods sold on credit shall be invoiced before they leave the premises.

11.2.3 Summary of receipts and copies of invoices shall be forwarded to the Finance Department after completion.

11.2.4 Slow-paying debtors shall be followed until final payments.

11.2.5 All cash or cheques received shall be remitted to the Finance Department.

11.2.6 The Operations and Marketing Manager shall, from time to time, determine the maximum cash allowed in tills.

## **12.0 Shops Operations Policy**

### **12.1 Policy Objectives are to ensure that;**

12.1.1 Shops are run in an efficient, effective and viable manner.

12.1.2 Shops are manned by qualified and performing staff.

12.1.3 Personnel in branches are aware of all procedures to be undertaken in relevant branches.

### **12.2 Shop Operations Procedures**

12.2.1 Qualified and performing workers shall be placed in all branches.

12.2.2 All shops should have viable and relevant stocks.

12.2.3 Working atmosphere must be conducive, e.g. with adequate light, proper shop and office layout.

12.2.4 The provisions of this Policies Document are followed by all branches.

## **13.0 Assets Management Policy**

### **13.1 Assets Management Objectives**

13.1.1 Assets are properly used/utilized.

- 13.1.2 Abuse/misuse of assets is curbed.
- 13.1.3 Lifespan of assets is checked.
- 13.1.4 Proper maintenance on all assets is ensured.

### **13.2 Assets Management Procedures**

- 13.2.1 All assets are recorded in the Assets Register with identification features and serial numbers.
- 13.2.2 Assets are used by authorized personnel at all times.
- 13.2.3 The top management is aware of the state of all assets; the advice about assets that needs attention of the General Manager is communicated on time.
- 13.2.4 Buildings, motor vehicles and furniture must be maintained or repaired on time to avoid unnecessary loss of value due to dilapidation.
- 13.2.5 Log books for all motor vehicles shall be kept.

## **14.0 Capital Goods Acquisition and Disposal Policy**

### **14.1 Policy Objectives shall be to ensure that;**

- 14.1.1 Capital goods are properly acquired and /or disposed in accordance with BICC Acquisition & Disposal Policy.
- 14.1.2 Capital projects, including but not limited to rebranding, shall be undertaken according to set plans.

### **14.2 Acquisition & Disposal Procedures**

- 14.2.1 Acquisition and/or disposal of non-moveable assets such as land and buildings shall be the responsibility of General Manager and the MBC Administrative Committee in consultation with approval by relevant BICC structures.
- 14.2.2 The acquisition and/or disposal of moveable assets like; plant & equipment, motor vehicles shall be the prerogative of General Manager and the MBC Administrative Committee.
- 14.2.3 Assets shall be disposed when they still have value to be salvaged. The Operations & Administration Manager shall advise the General Manager on *useability* of all assets.
- 14.2.4 The acquisition and/or disposal of day to day computers, office furniture & equipment and fixtures & fittings shall be authorized by the Marketing and Operations Manager and approved by the General Manager.

## **15.0 Security Measures Policy**

### **15.1 Policy Objectives are to ensure that;**

- 15.1.1 All assets of the organization are secured.
- 15.1.2 Stocks pilferage is minimized.
- 15.1.3 Safety & Security of workers and customers is maximized.
- 15.1.4 Health of workers and customers is not compromised.

## **15.2 Security Measures Procedures**

### **Assets Security**

- 15.2.1 All office inventory/equipment is kept at correct offices (where they belong).
- 15.2.2 Inventory list is kept at every office/work-place and is updated every-time proper changes have occurred.
- 15.2.3 A copy of proper Asset register with serial numbers of equipments is kept. (The original copy is kept in the Finance office).
- 15.2.4 All workers must be trained to be alert for disasters like fire, floods, riots etc to ensure assets are not damaged .
- 15.2.5 Damage minimization (Loss Control) equipment, e.g., fire extinguishers, must be functional and in correct places all the times. (Fire-escape points, where necessary, should be accessible.)
- 15.2.6 All entrances (e.g. doors) and openings (e.g. windows) shall be closed after working hours.
- 15.2.7 No asset of the organization shall leave premises without explicit authorization.
- 15.2.8 Physical security measures (e.g. provision of locks , hand-cuffs, covering of electrical cables, etc.) on premises and work places must be provided for.
- 15.2.9 Adequate security personnel shall be provided to secure properties and assets.

### **Stock Security**

- 8.2.10 There must be enough security personnel in all shops to safeguard stocks..
- 15.2.10 There must be proper systems meant to curb stock pilferage.
- 15.2.11 Insurance policies for stocks must be provided.
- 15.2.12 All workers must be trained to be alert for disasters like fire, floods, riots etc to avoid stock damages.
- 15.2.13 Physical security measures on premises and work places must be provided for.
- 15.2.14 All entrances (e.g. doors) and openings (e.g. windows) shall be closed after working hours.
- 15.2.15 Emergency Exit ways must be clearly visible to avoid loss of life in cases of emergency.

### **People Security**

- 15.2.16 Clean work places are a must. This is meant to minimize chances of people contacting communicable diseases.

15.2.17 All workers must be trained to be alert for disasters like fire, floods, riots etc to avoid dangers to people and loss of life due to ignorance and negligence.

15.2.18 Third party insurance shall be put in place.