



GPI POLICY - GENERAL STORE OPERATIONS

Rationale: The Pitcairn Islands General Store operates under the authority of the Government of Pitcairn Islands (GPI). The Government of Pitcairn Islands is committed to ensuring that Store operations are undertaken in an efficient, reliable and honest manner and that Customer Accounts and debt recovery is proactively managed and measurably reduced.

Policy Objectives: The aim of this policy is to guide the efficient and accurate delivery of services, accounting practices and staff management of the Pitcairn Island General Store with the intention to generate an acceptable level of profitability to facilitate future development.

Definitions: For the purposes of this document “The Store” refers to a GPI business entity dealing in mostly grocery and warehouse items.

Activities:

Store Structure

- 1.1. The Store will trade under the title “Pitcairn Island General Store” or “The Store” in brief.
- 1.2. The Store is a GPI entity and a department within the Finance and Economics Division.
- 1.3. The store will at all times manage the level of personal account debt.

Management

- 2.1. The ‘Store Manager’ is responsible for the financial management and overall running of the store
- 2.2. The ‘Store Manager’ is responsible for ensuring all customers are aware of conditions outlined within the Store’s policy

Staff

- 3.1. Staff will be recruited according to the Store’s needs and budgetary constraints.
- 3.2. All Store staff must adhere to relevant GPI policies and procedures and the GPI code of conduct.
- 3.3. All store staff will be managed by, and their performance measured using the GPI performance management policy.
- 3.4. No staff member under the age of 18 years may sell alcohol without supervision of senior staff.

Date Policy last reviewed: 16th February 2022

Date Policy due for next review: July 2022



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Trading Hours

- 4.1. The Store will open at least three times per week for a time that meets customer needs and ensures administrative and operational duties are carried out for that day.
- 4.2. Openings outside of normal hours are at the discretion of the key holders.

Inventory

- 5.1. In conjunction with the PIO, stock is purchased through agreed NZ suppliers.
- 5.2. Previous sales history or re-order points are used to determine type and quantity of stock ordered.
- 5.3. Occasional cruise ship purchases - Cash for payment is issued via the GT. An invoice from the ship must accompany the purchase and a copy given to the GT. Purchased stock must be recorded in the POS system and follow store mark-up structure
- 5.4. No purchases will be made from Mangareva until a formal 'Trade Agreement' is in place
- 5.5. Any supplies which have not been ordered, but are received by the store will be processed and entered in to the POS system as, store-stock, without exception
- 5.6. Private orders will only be placed for items that are not typically stocked by the store
- 5.7. Private orders will not be accepted from customers with outstanding accounts except by special arrangement with the Store Manager (see section 7 below).
- 5.8. Private orders will be charged to accounts immediately after the supply ship unload and store processing is completed, without exception.

Pricing

- 6.1. Store stock will carry the following mark ups;
 - Bike Parts 5%
 - Petrol 5%
 - All Tobacco and Alcohol 45% on cost price
 - All other items 35% on cost price
 - Large volume items; e.g. solid water tanks, fridges, freezers will be charged at volume freight
 - At \$350.00 a cubic meter
- 6.2. All stock will display current retail price. An appropriately displayed sign will advertise freezer items and retail price.

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Expired Goods

7.1 Any expired goods are to be discounted within 1 month of reaching the expire date.

Customer Credit Accounts & Debt Recovery

8.1. 1 account per person/couple. No secondary accounts allowed e.g., business accounts. House

8.2. All Customer Credit accounts carry a credit limit of \$1000.00 without exception

8.3. Purchases are cash only if the account is in excess of \$1000.00

8.4. Private ordering is at the discretion of the store manager if the customer's account is in excess of \$1000.00

8.5. When a Customer Credit Account is in excess of \$1000.00 all non-essential private orders will be paid, in cash, at the time of ordering.

8.6. All new and existing account holders are required to sign the General Store Customer Credit Account Agreement form (Annex A) which authorises the GT to deduct 10% of the Account Holder(s) GPI earnings for payment toward their account debt when it exceeds the Store's \$1000.00 allowable credit limit.

8.7. All new and existing account holders who, on receipt of the General Store Customer Credit Account Agreement form, choose not to sign the form will have their Store credit facility withdrawn immediately and will be required to pay cash for all purchases.

8.8. The Store will notify the GT, no later than the first day of a new month, to advise which customer accounts have exceeded the \$1000.00 customer account credit limit. The GT will make the deduction from the account holder(s) GPI earnings at the monthly balance and provide the store with the amount paid and receipt number. The account holder is notified of the amount of the deduction via their monthly wage slip.

8.9. Existing customer credit accounts, which have historically accrued over time and which consistently exceed the \$1000.00 store credit for 3 months or more must reduce their debt to below the \$1000.00 store credit limit within 3 months of this policy being approved.

8.10. Existing customer credit account holders, who do not reduce historically accrued debt to below the Stores \$1000 credit limit as per (7.8) will be required to pay cash only for all purchases and their debt will be referred to the PIO for debt recovery.

8.11. A monthly statement of account will be sent to account holders, within the first week of a new month, whether account is in a surplus or deficit.

8.12. Government Departments are bound by the same trading terms as private customers.

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Sales

- 9.1. All sales are to be made through the Point of Sale (POS) system
- 9.2. If the POS is unavailable a detailed description of items sold and payment made is recorded in an appropriate register for immediate entry into the POS system once available.
- 9.3. Only store staff will access or operate the POS system
- 9.4. Every customer will be issued a transaction receipt on request.
- 9.5. The sale of Tobacco products and Alcohol beverages can only be sold to customers legally able to buy them.
- 9.6. Sales to visitors will be recorded in an appropriate POS sales account but must be paid for in cash only.
- 9.7. Damaged, written off, expired or store use items must be recorded in a relevant account within the POS accounting system

Close of Day and Banking

- 10.1. The till floats shall be balanced at the close of each trading day.
- 10.2. Any monetary shortfalls or anomalies must be reported to and recorded by the Admin Manager or Store Manager
- 10.3. Banking of cash with the Government GT will be done at the first opportunity after the trading day.
- 10.4. POS and Accounting systems are synchronised.

Reporting

- 11.1. The Store Manager will submit a monthly report to the Division Manager comprising of no less than (1) Store Inventory Cost Total, (2) Store Sales, (3) Total owed by Debtors

Store Audits

- 12.1. The Store will be audited at the end of each month on a day and time determined by the Auditor.
- 12.2. The Store Manager will ensure Auditor(s) or the Administrator have unobstructed access to;
 - All electronic and hardcopy records
 - Full inventory
 - POS (Point of Sale) System

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Full accounting records

12.3. The Store will conduct a full stocktake prior to the end of the financial year for both store and PIO accounting purposes. Periodic stocktakes may happen at any other time as deemed necessary or as directed.

Record Keeping

13.1 Books and records whether hardcopy or electronic will be kept on Store premises for a minimum of 7 years.

13.2 Electronic backups will be taken of Accounting, POS and all other electronic documentation after each store opening.

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