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INTRODUCTION

1. This chapter outlines the controls and the procedures that are unique to CANEX Retail Stores.

TYPE OF OUTLETS

2. This category pertains to outlets that sell primarily general merchandise and includes, but is not limited to, retail stores and SuperMarts.

DEPARTMENTALIZATION

3. Sales shall be departmentalized in accordance with Chapter 41 (CANEX and Other Retail Outlets Department Structure).

INVENTORY ACCOUNTABILITY

4. As per Chapter 25 (Inventory Valuation), inventories shall be maintained and controlled by the Cost Accounting and Perpetual Inventory (CAPI) Method (detailed procedures are outlined in the CANEX CAPI Reference Manual).

PURCHASES

5. Procedures for the ordering and receiving of merchandise along with the processing of invoices are outlined in Chapter 51 (Purchases – CANEX Retail Outlets and Central Billing).

TRANSFERS

6. Transfers shall be made in the manner outlined in Chapter 22 (Transfers).

SALES

7. The accounting for sales and the submission of Daily Sales Reports (DSR's) to the NPPAM shall be as outlined in Chapter 18 (Cash and Other Receipts)
8. Credit sales are authorized for use in primary Retail Stores as outlined in Chapter 52 (Credit Sales).

REPORTS AND RETURNS

9. The following schedule of reports and returns represents the minimum acceptable frequency of reporting. All month-end paperwork must be submitted to NPPAM within two working days following the month-end date. Where volume of transactions is such that more frequent reporting is necessary, a revised schedule acceptable to CANEX Management and the NPPAM may be introduced:
 - a. Daily Sales Reports. These are completed and forwarded to the NPPAM daily as per

Chapters 6 (Control of Accountable Documents), 18 (Cash and Other Receipts) and 54 (Lottery Tickets);

- b. Invoices. Suppliers' invoices (with PO and Receiving reports attached) and credit notes are submitted to the NPPAM as per Chapters 6 (Control of Accountable Documents) and 21 (Purchases);
- c. Transfers. Merchandise Requisitions (CF 603) are entered at cost when issued or received. Merchandise Requisitions are submitted to the NPPAM as per Chapters 6 (Control and Accountable Documents) and 22 (Transfers);
- d. Purchases not invoiced (PNI). As detailed in Chapter 7 of the CANEX CAPI Reference Manual, the PNI form must be submitted to the NPPAM at month-end to inform accounting of any Purchases Not Invoiced and/or Credits Not Received;
- e. Inventory Value Report (IVR). As detailed in Chapter 4 of the CANEX CAPI Reference manual, the IVR must be run at month-end either after the store closes on the last business day of the month OR prior to opening the next business day (the first day of the next month) and submitted to the NPPAM; and
- f. Inventory Movement Report (IMR). As detailed in Chapter 4 of the CANEX CAPI Reference manual, if it was not possible to print the IVR report after closing on the last business day of the month, the IMR may be submitted to the NPPAM in lieu.

STOCKTAKING

- 10. Stocktakings shall be carried out in accordance with the general stocktaking procedures in Chapter 26 (Stocktaking) along with the detailed stocktaking procedures outlined in the CANEX Policy and Procedures Manual – Section 3 – Operations 430 and the CANEX stocktaking SOP