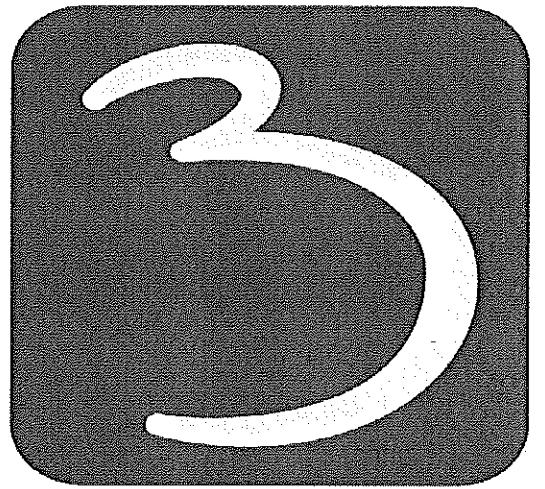


Credit Card Policy



***Boxing
South
Africa***

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1. Introduction

A corporate credit card assists with the provision of rapid acquisition of primarily low Rand value items. The card is designed to promote purchasing efficiency, flexibility and convenience. However card purchases shall be made in accordance with established Supply Chain Management policies i.e. prior authorisation on the appropriate requisition form.

2. Terms and definitions

Credit - This is a card issued by the credit card company in the name of the individual officer or employee and on which the entity has guaranteed payment

3. Objectives of the policy

The objectives of the policy are:

- To maintain control over the use of the entities credit card facility

4. Credit card procedures

- 4.1 The entity may obtain a credit card upon approval from the board.
- 4.2 As a general rule, the use of the card is prohibited for cash advances and personal or non-business related purchases.
- 4.3 The CEO shall have the authority to implement the card purchasing programme.
- 4.4 Designated card users and custodians are responsible for compliance with the card policy and procedures.
- 4.5 Purchases must comply with the Supply Chain Management and Cash management policy and other processes governing procurement.
- 4.6 Violations of the card policy and procedures are subject to punitive sanctions.
- 4.7 Individual transaction limit: R 5 000.00, unless otherwise authorised in writing as per approvals framework. (Refer to cash management policy)
- 4.8 Daily number of transactions allowed: no limit provided such transactions comply with procurement procedures laid down in the supply chain management policy.
- 4.9 The card may not be used for food purchases or at restaurants.
- 4.10 The card may not be used to purchase petrol.
- 4.11 All items purchased "over the counter" must be immediately available at the time of card use. No back ordering of merchandise is allowed.
- 4.12 Use of the card is prohibited for the following:
- a) Maintenance and repair costs
 - b) Rental and leases
 - c) Entertainment
 - d) Personal purchases
 - e) Alcohol

5. Purchase Documentation

5.1 General - the custodian secures and retains documentation to support the purchases charged to the card. Examples include sales slips, cash register receipts, invoices, order forms, reconciliation records and receiving reports. Charge slips that do not itemise are inadequate documentation.

5.2 No supporting documentation - when no other documentation exists, such as when making a telephone purchase, the following information shall be maintained to support transactions: date of purchase, vendor name, item description, amount, and the name of the purchaser/ authorised card user.

6. Monthly Statements

6.1 At the end of each billing cycle, the CFO shall receive from the bank a monthly statement of account that will list the transactions for that period. The CFO shall check each transaction listed against the purchase documentation. The original sales documents, (invoices, cash register slip and credit card slips, etc) for all items listed on the monthly statement **MUST** be neatly attached to the statement, in statement sequence. This data attachment is critical for audit purposes. The careful matching of complete purchase documentation to the statement is vital to the successful use of the card.

6.2 After reviewing, the CFO shall sign the statement verifying the completion of the reconciliation process and shall ensure that the reviewed and approved statement is signed by the CEO. Thereafter the statement shall be kept on file in the Finance Department as per the record retention policy.

6.3 In no case may a card user review his/ her own charges. The reviewer must not be supervised by the person whose charges are being reviewed.

6.4 If an item has been returned to the vendor and a credit voucher received, the CFO shall verify that this credit is reflected on the monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase, the CFO shall notify the relevant bank.

7. Card security

7.1 The office of the CEO is responsible for the physical custody of the card. Physical custody may be delegated but must be documented accordingly.

7.2 The CEO or his designee responsible for the physical custody of the card is also responsible for the physical security of the card and the account number. The card shall be stored in a locked space and the account number and related documentation shall be secured in the same manner as the card.

7.3 If the card is lost or stolen, the CFO will immediately (within 24hours) notify the relevant Bank.

8. Approval and implementation

8.1 This policy is effective from the date of approval by the Chairperson of the Accounting authority.

8.2 The CEO will be responsible for implementation and monitoring of the policy.

8.3 The policy will be reviewed on an annual basis and revision thereto must obtain Board approval.

9. Level of approval

Dr P Ngatane

2011 -05- 0 6



Board Chairperson

Signature

Date