Bar Operations Manual
for
Weraroa Cricket Club INC
INTRODUCTION

Our club’s bar is the club’s main source of income. Running our bar carries responsibilities – all focussed on taking care of our club members. So as long as our bar is well managed our bar can provide significant financial benefit.

As well as being a welcoming place for our members, its also important we take care of their responsibilities to members will have a positive image in the community, helping them to attract more members and a stronger volunteer base.

The best time to introduce your members to how the club’s bar operates is when they first become a member. Undertaking “induction” of a new member to your club will give them more of a sense of belonging. When you show them through your facilities, include a tour of the bar and explain how it operates and what the expected standards of behaviour are. – your new member is likely to be involved in other aspects of your community and may bring other members to the club.

Also introduce them to the bar manager(s) and staff – make them feel welcome!

2. licensing OUR club

Club Licenses

A club must have a Club License, issued by your local council under the terms of the Sale of Liquor Act 1989, which allows the club to sell or supply liquor for consumption on the premises to:

any member of the club or
any person who is a guest or
any member of any other club that has reciprocal visiting rights.

To apply for a Club License, the club must be incorporated and have a Secretary. There must be a Duty Manager who has a current Bar Manager’s Certificate on duty at all times when liquor is being sold or supplied and proceeds from the sale of liquor must belong to the club (i.e. not an individual).

Club Licenses are issued by your local council.

It is vital that you are not late when you re-apply for a current club license. If this happens, your application will be treated as if it was your first, resulting in considerable more cost and an enormous
amount of time and effort. Make a note of the expiry date of your license and make your re-application to the council at least one month before it expires.

**Special Licenses**

What is a Special License?
A Special License is only valid for a specified timeframe. The special license holder and the responsible persons named on the special license must control the liquor at the event and ensure that the conditions of the license are being carried out.

A special licence is required if liquor is sold or supplied to any people attending any particular occasion or event or series of occasions or events at any function where:
- No on-license or club license exists
- The caterer does not have an endorsed off-license
- There are non-club members present on club-licensed premises
- The function is outside the hours or area authorised on an existing on-license or club-license

**Examples of series of one-off functions would be:**
A three or four day event where you wish to sell or supply liquor, and will be required to apply for one special license for a series of days.
A social club that holds drinks on the last Friday of each month can apply for all of these Fridays on the one special license application.

Special Licenses are issued by your local council.

When a liquor license is issued, it contains a number of conditions, some are standard and others may be specific to the club's premise. Standard conditions cover:
- The availability of non-alcoholic and low alcohol beverages at all times that alcohol is available
- The availability of a range of food items (not including confectionary, potato chips, peanuts etc) at all times that alcohol is available
- The display of signage
- Prohibited persons (i.e. those under 18 years of age, intoxicated persons and unaccompanied non-members)
- Transport provisions
- Implementation of Host Responsibility measures
- The days and hours that the license is valid for
- Appointment of Manager(s)
- The designated area(s) of the club that are licensed

It is vital that everyone involved in the operation of your club is aware of and understand the conditions of your license(s). Both the Club and the Bar Manager (as named on the license) are liable to fines up to $20,000 and/or temporary loss of the license, if liquor is sold/supplied while conditions are being breached.
3. The Weraroa Bar Manager

At all times when liquor is being sold or supplied to the public on licensed club premises, someone on duty must hold a Manager's Certificate and be responsible for compliance with the Sale of Liquor Act 1989 and the conditions of the club licence.

ALAC (Alcohol and Liquor Advisory Council) publishes a booklet called “The Manager's Guide”. This has been prepared to guide managers on the information they require to operate a premises in the manner required by the Sale of Liquor Act. Copies of the booklet are available from ALAC – see www.alac.org.nz or phone the ALAC Northern Office on (09) 916 0330.

In some clubs, the Manager is a paid employee, in others a member of the Club Committee is designated as the Manager. In both cases, a written job description that details the delegations and responsibilities of the position should be provided.

A manager's certificate is issued to the individual (i.e. not the club). They can use it throughout New Zealand on licensed premises. Individuals must have completed training under the Sale of Liquor Act 1989 before they can apply for their manager's certificate.

There are two types of certificates

A Club Manager's Certificate limits you to managing premises that hold a club-licence or where a special licence is in force. A General Manager's Certificate will authorise you to manage any licensed premise where an on-licence, off-licence, club-licence or special licence is in force.

4. staffing

All staff involved in the operation of the club’s bar should be provided with a documented job description / task list (refer and training on the club’s bar procedures including how to cash-up the bar. A copy of the list should be kept behind the bar for the staff to refer to / check as necessary. It is also good practice to train members of the club committee. If they are aware of the club’s procedures, they are able to support staff in situations where the Manager may not be present.

Paying bar staff from the proceeds of the bar is relatively common in clubs; however there are a number reasons why this should not be done:

Results in the understatement of income from the bar
True bar expenditure can not be monitored

The training of all persons involved in the dispensing of liquor on a licensed premise is the responsibility of the Licensee and the Manager. Both carry the legal responsibility and liability for any breaches.
The Club’s Host Responsibility Policy (refer section 5) should provide the staff with clear guidelines as to how to manage any issues that arise with patrons. By displaying the policy in the bar, management are sending a clear message to patrons as to the Club’s expectations and the consequences of any policy breaches. ALAC (Alcohol and Liquor Advisory Council) publishes a booklet called “The Bar Code – Frontline Bar Staff and the Law”. This has been prepared to guide staff on being responsible servers of alcohol and to help with ensuring they comply with the Sale of Liquor Act. Copies of the booklet are available from ALAC – see www.alac.org.nz or phone the ALAC Northern Office on (09) 916 0330.

A little time spent on inducting / training bar staff when they first commence working at the club may save you a lot of time later. Explain the club “culture” to new staff and introduce them to key people in the club (e.g. committee members, life members etc). Also explain the value of the bar’s operation to the club – in terms of both the income that it generates and the social aspects that your member’s enjoy.

5. host responsibility

One of the documents required to be provided when applying for a Club License is a Host Responsibility Policy. This document sets out the intentions of the club to:

- prevent the sale / supply of alcohol to prohibited persons
- make food available
- make available both low alcohol and non-alcoholic beverages
- provide safe transport options
- manage liquor promotions
- undertake staff training

These matters effectively become the conditions of the club’s license and the terms under which the club bar may operate. It is vital that all club members and bar staff are aware of the entire policy. Displaying the policy in the club and especially the bar area, ensures that all members and visitors have the opportunity to read it. New members to the club should be given a copy of the policy along with other club information when they join.

6. Bar Operations

**Systems & Controls**

It is important that a number of measures are in place to ensure the effective management of this key area of a club’s operation. The control of stock, profit margins and security are necessary for the Club to be able to maximise the potential income from the bar. Systems should be implemented to a degree and at a level that reflects the value of the bar to your club. This includes the investment in the “till” system on the bar. The cost of POS (point of sale) systems, can run into thousands of dollars. For your club, a simple...
cash register that allows you to identify sales of different products (for stock management purposes) may be all that you require.

**Stock**
Product that is both in the bar and that has been purchased for future use should be securely stored. Dead-bolts on chillers and heavy padlocks on storage cupboards should be locked with security keys (ones that can only be copied by a locksmith with a club signatory’s permission).

Only order stock as you need it. Holding excess stock costs the club money. Negotiate a “sale or return” deal with your supplier for large functions. While you don’t want to run out of stock during a function, you also don’t want to be left with stock that the club will take months to use.

The extent of the club’s systems for the ordering, receiving and management of stock should reflect the size of the bar operation. The larger the operation, the more people/staff you should have available to separate duties and therefore lower the risk of loss of stock. Where possible, have one person ordering, someone else receiving and checking product against the order and someone else paying for the stock purchase. If your options for separating duties in this area are limited, you may look at other means to mitigate stock loss e.g. spot checks etc

A stock take should be undertaken at least monthly or more often if necessary. In clubs where the bar operation is run by volunteers this may be unrealistic but every effort should be made to ensure that the potential for losing stock, or shrinkage, is minimised. Also, where possible, the person (or people) involved in the stocktake should not be those who are involved in the bar operation. This task could sit with the Club Treasurer along with another Committee Member. Having more than one person undertake the stocktake is advisable. A stock sheet needs to be completed and then reconciled.

**Cashing-Up**
The process for “ringing off” the till or finalising the till takings at the end of a shift will depend on your particular till system. Once this has been done, a reconciliation of the cash in the till to the total provided by the system should be undertaken for a sample cash-up sheet). The cash-up sheet shows that money may have been taken over the bar (or through Eftpos) for items other than bar sales. It is important to capture this information to ensure that income is recorded in the club’s accounts for what it was received for (memberships, product sales etc). Once the cash-up sheet is complete and the physical cash has been counted, both should be securely locked away until the banking is prepared. Where possible, the person preparing the banking should be different to the person who undertakes the cashing-up process. This adds another level of security to the handling of the club’s income. It is also essential that any errors
identified in the reconciliation are followed up promptly. Often you will be relying on people’s memory to substantiate errors and bar staff may not work on a consistent day-to-day or week-to-week basis for you to follow up with.

**Hospitality**
To do or not to do? That is the question. Some clubs have a budget for the Chairman / Club President to enable them to provide drinks for club sponsors or VIPs at club events. Other clubs choose not to do this. If you do opt to provide some form of hospitality, then the value needs to be recorded. There are two main reasons for this.

The value of the hospitality needs to be included in your sales figures, otherwise your margin reconciliation will be inaccurate

The value of the hospitality is a cost to the club and needs to be managed along with all other club expenses.

If the club chooses to offer hospitality, set a dollar value for it in your annual budget and monitor expenditure against it. Any drinks provided but not paid for must be recorded.

**Suppliers & Purchasing**
Clubs tend to have local arrangements with a beverage supplier. There may be value in clubs clustering with other clubs in their geographic area to present themselves as a “buying group” to a supplier and thereby secure better purchase pricing for the group. Other buying group opportunities may be available (or be able to be instigated) by your Regional Sporting Organisation. The larger the volume of purchasing your buying group represents the better the deal you should be able to negotiate with a supplier.

You cannot always rely on the supplier to get the pricing right on your invoices. Ensure that you check the invoiced price against your pricing schedule each time you are invoiced. Some suppliers may provide a volume credit at month end and show this on their monthly statement. To ensure that your club takes up this credit, always reconcile any payment you are making to the supplier’s statement total.

**Pricing**
Club pricing should be profit driven, not volume driven. Communicate to your members that the profits made through the bar are used to sustain the club and maintain and improve facilities.

**Margins**
Spirits should be served using a spirit measure with a single shot being the standard measure and doubles only poured on request. It is illegal to pour triples or more! A standard 750ml bottle of wine should net 5 glasses (150mls per glass). There are a number of ways to manage this to ensure that you do get 5 glasses per bottle – use small wine glasses that 150mls nearly fills; have your wine glasses engraved with the club’s name/logo at a point on the glass where the
name/logo can be used as a pouring point. Both spirit measures and wine management will help you to maintain margins on these products.

Clubs are free to set their own margins on different product groups (keg beer, bottled beer, spirits, soft drinks, wine etc). When deciding on the margins for your club, take the following into consideration:

What do you members expect to pay? Are you in a high or low socio-economic area?

What do your local “competitors” (pubs, bars and other clubs) charge for the same product?

Can you achieve a better overall profit from your bar by strategically pricing one product against another (e.g. your keg beer - that requires less handling and has a better pricing point from your supplier – is intentionally cheaper by volume than bottled beer)

The average mark-up applied by clubs interviewed in the compilation of this manual was 50%. The NZ Rugby Union quotes industry standard mark-up for rugby clubs at 50-55%

Review your margins in each product group regularly to ensure that you are maximising the profit from your bar.

Food

The Sale of Liquor Act states that a reasonable amount of food must be available at all times that a licensed premises is open for business. The food that is on sale should be actively promoted (advertised in the bar area and regularly offered by staff). The range of food should be substantial enough to slow the absorption of alcohol.

As with other aspects of your bar operation, the food you offer for sale should be appropriate for your members in terms of the product and the pricing. Try to offer a range of food items, including healthy options. It may be possible, as with your beverage supplier, to group with other local clubs to arrange supply from a foodservice company or through your Regional Sporting Organisation.

If you hire your facility or hold large club functions, you may need the services of a caterer. Having a preferred supplier arrangement with a local catering company gives the club a further opportunity to generate income (from the mark-up on food supplied at functions).

Cleaning and Hygiene

Hygiene in the bar

In order to charge market rates in your bar you need to be providing a quality product to your members and other bar patrons. This means maintaining high standards of cleanliness with your glasses, beer lines and the bar in general. Where possible, have one style of glass for each beverage type. Glasses should be exchanged each time a patron returns to the bar for a fresh drink. The club’s dishwasher should be checked regularly to make sure it is cleaning well. Industry guidelines state beer lines should be cleaned on a fortnightly basis. However, many clubs feel that they should not be left more than a month without a clean. There are a number of contract firms that
undertake this work. As with other matters common to more than one club, a deal brokered with a supplier by a group of clubs or your Regional Sporting Organisation should result in savings for all involved.

Cleaning the clubrooms
A high standard of presentation of your bar (and your club) will help to attract and retain members. The frequency and standard of cleaning needs to be well managed to balance cleanliness with the expense incurred. Some clubs have members who undertake the cleaning duties, others employ staff or contractors. Whoever is cleaning the club should be provided with a list of the cleaning that is required and the frequency for each area. If the club does not have a Club Manager, a member of the club committee should be delegated the responsibility of managing the cleaner(s).

7. SECURITY
The club’s facilities (clubrooms) are usually its most significant asset and these need to be protected. The club is an attractive proposition to thieves and vandals, especially if they anticipate valuables and cash being kept on-site and the club is not protected. Even if you do store cash on the premises, signage that says you don’t do this could deter potential thieves. Train staff to be discrete about where cash is stored when they cash-up.
Some clubs employ security patrol companies to do lockdowns of the clubrooms following functions. Forming a group with other local clubs or businesses may make engaging a security patrol company more affordable for your club.

References

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<th>Title</th>
<th>Author</th>
<th>Website</th>
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<tr>
<td>Host Responsibility - Guidelines for Licensed Premises</td>
<td>ALAC – Alcohol Advisory Council of NZ</td>
<td><a href="http://www.alac.org.nz">www.alac.org.nz</a></td>
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**The Manager’s Job Description**

**Main Objective**
To ensure the efficient running of the club’s bar operations and the continued profitability of the bar for the benefit of all club members.

**Secondary Objective:** To provide support for the Club Committee and to promote a harmonious working relationship between all staff and members / customers.

**Duties:**
- Customer focused at all times
- Required to hold current Bar Manager’s Certificate & to undertake renewal as required
- To manage staff effectively by
  - Ensuring that high standards of customer service are maintained at all times.
  - Ensuring high quality procedures for training and monitoring of bar staff are in place and utilised
  - Communicating all club polices to staff and ensuring these are adhered to
  - Ensuring that positive interaction takes place between staff & customers

To uphold the law as set out in:
- The Sale of Liquor Act 1989 and
• Undertake stock ordering as required to maintain adequate stocks for usual trading and functions

• In conjunction with the Club Treasurer undertake stock auditing on a monthly basis and reconcile stock sheet accordingly

• Prepare the bar staff roster on a weekly basis

• Ensure premise cleanliness and hygiene standards are adhered to

• Adhere to security and safety responsibilities of the club

• Appropriately manage customer complaints and provide a monthly report to the Club Committee on such matters

• Cash up and analyse till reports as required in accordance with the club's cash handling procedures.

• Any other duties the club may reasonably require in conjunction with the operation of the club’s bar

• Be in charge of the club kitchen.

Bar Staff Duty Instructions

Main Objective
To ensure a high standard of service is provided to club members and other bar patrons

Duties

● Restock the chillers as required during the time the bar is open, including at the end of your shift

● Collect glasses from tables and wipe down tables with minimum disruption to patrons

● Ensure the club’s Host Responsibility Policy is implemented. If there are any issues that arise that may breach the policy and you don’t feel confident dealing with it, approach any senior member of the club that is on the premises at the time or phone the Club Manager

● Ensure the club’s policy on bar tabs and hospitality is complied with and any hospitality given is recorded accurately on the till / cash-up sheet

● 15 minutes prior to the bar’s closing time, advise patrons that the bar is due to close

● Close off the till and complete the cash-up sheet

● Lock the cash in the safe

● Complete the cleaning of the bar and lock the bar

● Run the club kitchen.
Weraroa C.C Host Responsibility Policy

The management of Weraroa Cricket Club Inc believes that we have a responsibility to provide an environment that is not only comfortable and welcoming but also where alcohol is served, responsibly. Because of this the following Host Responsibility Policy has been implemented.

- We provide and actively promote a range of non-alcoholic drinks, including low alcohol beer, fruit juices, soft drinks and coffee. Water is available, free of charge, at all times.
- A good range of food is available. Menus are visible at all times.
- It is against the law to serve minors. If we are in doubt as to your age, we will ask for identification. Acceptable forms of proof of age are the photo driver’s license, the HANZ 18+ card or a current passport.
- Patrons who are visibly intoxicated will not be served alcohol, will be asked to leave the premises, and encouraged to take advantage of safe transport options.
- We will promote safe transport options to get you safely home.
- We will encourage people to have a designated driver. We will make the designated driver’s job easier by providing an interesting range of low alcohol and alcohol free drinks.
- We will make sure all of our services are well promoted and will display signage required under the Sale of Liquor Act.
- We will maintain a training and management policy to give our staff the skills and support they need to do their job responsibly.

Please be our guest and take advantage of the services we offer.

Host Responsibility makes sure that everyone has a good time and leaves in safe shape for the road home. It could save our license and it could save your life.

WE ARE RESPONSIBLE HOSTS
<table>
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<th>Cash Up Summary</th>
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| **Cash**          |   |
| **Cheques**       |   |
| **Subtotal Till** |   |
| **Eft-pos**       |   |
| **Total Till Takings** | A |
| Prize Money       |   |
| Bar Purchases     |   |
| Kitchen Costs     |   |
| Key Refund        |   |
| **Plus Cash Paid From Till** | B |
| **Gross Receipts (A+B)** | C |
| **Till Balance from Previous Day** |   |
| Plus: Cash Top Up |   |
| Less: Surplus Cash Banked |   |
| **Total Bar Float** | D |
| **Subscriptions** |   |
| **Key Deposit**   |   |
| **Less EFTPOS Total Receipts** | E |
| **Net Bar Turnover (C-D-E)** | F |
| Group 1 - Sodas   | Group 2 - Spirits |
| Group 3 - Wines   | Group 4 - Beers   |
| Group 5 - Ready To Drink Spirits | Group 6 - Basic Beers |
| **Total Till Tape** | G |
| **Under / (Over) Rings on the Till** |   |
| **Under/Over (F-G)** | H |
| **Bar Staff Name** |   |
| Hours Worked      |   |
| Gross Paid        | $   |

**Under/Over (F-G):** 0.00

This manual has been prepared by Sport Auckland for use by Sports Clubs. The information contained in the document was accurate at the time of preparation – December 2009.
**Stock Sheet**

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TOTAL VALUE USED (A)

BAR BANKINGS (D)

TOTAL BANKED (PER BANKINGS)

LESS ASSESSED SALES

VARIANCE (favourable/under)