



Petty Cash Procedures

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1. Introduction

CUL Academy Trust Limited wishes to minimise the amount spent via petty cash. However the academy recognises that it is not always possible or practical to for all items to be invoiced and paid via the purchase ledger.

This procedure gives guidance on the situations that are appropriate to pay for goods or services via petty cash and the procedures to be followed when processing petty cash. The purpose of the purchases must be for business or educational use only.

2. Use of Petty Cash

The circumstances and rules surrounding the use of petty cash will vary depending on the nature of the expenditure. The aim should be to minimise the amount of money spent via petty cash at all times.

In general, the use of petty cash should be limited to items costing less than £50. Petty cash should only be used as a payment method in situations where the amount involved is small and either-

- The supplier is not used regularly
- The supplier requires payment by cash.

3. Responsibility for Petty Cash Management

The petty cash box will be located in the Finance room (Float £200). Petty cash will be administered by the Finance Manager and overseen by the Principal. All requests for petty cash must come through to the finance office. Any items of expenditure that is not on the list must be agreed in writing by the Principal prior to payment.

4. Purchases from Petty Cash

As noted above, the rules surrounding the use of petty cash will vary depending on the circumstances and the nature of the expenditure. In general the limits for transactions from petty cash will not exceed £25 although this limit can be extended in an emergency situation.

5. Petty Cash Security

The petty cash box must be kept securely locked away in a safe at all times when not in use and overnight. The key must be securely stored by the Finance manager. An up-to-date petty cash transaction summary should also be retained in the petty cash tin.

6. Receipts

An original receipt giving full details of the goods or services purchased must be obtained for all items of expenditure requiring reimbursement from the petty cash box. Receipts must be received within 14 days of purchase for reimbursement to be honoured.

7. Issuing Petty Cash

The petty cash box will have a summary and a book of pre-numbered petty cash vouchers. For each item of expenditure funded from petty cash, the next available petty cash voucher in the sequence should be completed by the Petty Cash Officer. The voucher must detail-

- The person who has requested the petty cash
- The nature of the expenditure
- The amount of petty cash issued

Any spoiled vouchers must be retained and a reason entered on the summary for spoilage.

As advised in the Finance and procurement manual, petty cash expenditure will only be issued against a valid receipt.

All petty cash vouchers issued for reimbursement must be signed by the recipient and the petty cash officer.

8. Advances from Petty Cash

On occasion a member of staff may be given petty cash in advance of making a purchase. These advances must be authorised and signed by The Principal before any advances are made. Advances must not exceed the £25 petty cash limit.

9. Receiving cash

All cash received from pupils, parent, staff or any other must be recorded in the receipts book. The following details must be included on the receipt –

- the person who has paid in the money
- what the cash relates to
- date

The top copy will be handed to the payee and the copy retained in the book. All cash collected must be input on an electronic sheet. This must be updated for each transaction as and when they occur. This sheet will be reconciled weekly by the Finance Manager and authorised by The Principal.

10. Spot Checks


Spot checks of the petty cash boxes and a count and reconciliation of the monies will be carried out by the Principal to ensure procedures have been followed. A record will be retained of these spot checks to be reviewed, signed and dated by the Chair of Governors.

11. Planned Leave Arrangements

At times when the Finance Manager is on planned leave, another named staff member within finance will take over the responsibilities.


Before the Finance Manager goes on leave, they must perform a handover which involves recording the total of the cash and vouchers in the box and reconciling them to the petty cash records.

Both persons must sign this record as evidence of the handover being carried out and their agreement to the contents of the petty cash box. This should be done both at the start and finish of the leave cover period.



Wayne Henry
The Principal

6/10/2016
Date



Desmond Jadoo
Chair of Governors

6/10/2016
Date

Next review date: September 2017

CUL Academy Trust Limited
Petty Cash Imprest

Petty Cash Account from.....to.....

	<input type="checkbox"/>	p
Authorised float		200.00
Balance remaining as at ___/___/___ (a)		200.00
Total expenditure (b)		0.00
Authorised Float (a) + (b)		200.00

Date	Expenditure details	<input type="checkbox"/>	P
Total claimed from petty cash (b)			0.00

I certify that the amount shown as total expenditure is in order and authorise the bearer to receive the reimbursement on my behalf.

Signature

Print name

