

## Petty Cash Policy

### Introduction

This policy has been prepared following a review of the existing arrangements for all Council employees.

### Payments from Petty Cash

The Imprest system will be used for Petty Cash Payments/Reimbursement.

Payments in cash should be kept to a minimum. Where it is necessary to make such payments, they should never be made from cash received as collections, but from a properly set-up and documented petty cash float. A cheque, drawn for "Cash" can be used to provide a banking entry to support the initial credit balance in a Petty Cash book. All payments from petty cash should have a matching receipt, and the total of such payments, when added to the remaining cash in hand, should balance against the initial cash cheque withdrawal from the bank.

### Reimbursement

The Council uses Unity Trust Bank which does not have Branch banking. To reimburse the Petty Cash float a cheque will be raised by the RFO made payable to the Town Clerk, who will cash the cheque and return the cash to the office.

The Petty Cash float will be reimbursed to £200 before every Year-End and will be confirmed in writing by two councillors.

### Petty Cash Value

The Petty Cash tin will be held in the Office and petty cash should not be held elsewhere except when in transit. The RFO (or Clerk in their absence) can withdraw a maximum amount of cash of £200 at any one time. There is to be a maximum of 10 cash withdrawals in any one financial year, with a maximum of £2000 withdrawn in any financial year.

### Uses of Petty Cash

Petty Cash is to be used for items that cannot be purchased under account from suppliers, e.g. stamps and stationery. Petty cash is for use by officers of Loddon Town Council.

### Financial Regulations (Adopted June 2024)

10.1 The RFO shall maintain a petty cash float/Imprest account of £200 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

- a) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.
- b) Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
- c) Payments to maintain the petty cash float shall be shown separately on any schedule of payments presented for approval.

**This policy was adopted by Loddon Town Council at its meeting held on 12 June 2024.**

**Signed:**

**Dated:**

**Date for next review: February 2027 (reviewed every three years)**