

Petty Cash Policy

Introduction

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

Payments from Petty Cash

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.

Petty Cash Value

The RFO (or Clerk in their absence) can withdraw a maximum amount of cash of £200 at any one time. With a maximum of £200 kept in the petty cash tin at any one time. There is to be a maximum of 10 cash withdrawals in any one financial year, with a maximum of £1000 withdrawn in any financial year.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 July 2020)

6.21. The RFO may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement.

a) The RFO shall maintain a petty cash float of **£200** for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.

b) 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 the schedule of payments presented to council under 5.2 above

This policy was adopted by Loddon Parish Council at its meeting held on 10 February 2021.

Signed:

Dated:

Date for next review: February **2024** (reviewed every three years)