

### 1.0 FUNDS

1.1 The maximum expenditure per year through Office petty cash is £1200 (cash book 3) and £1800 for Youth Services petty cash (cash book 4).

1.2 The funds in Office and/or Youth Services petty cash are permitted to be topped up, if required, by cash point withdrawal at any local Bank cash point or other cash point facility. The cash withdrawal will be by the Town Clerk or Deputy Town Clerk only. A cash point withdrawal receipt must be obtained and stapled to the white debit card payment cover slip, signed by one Councillor.

### 2.0 CONTROLS

Financial Regulations and this procedure provide the petty cash controls for this Council as detailed in this section. For Office petty cash the money will be kept in a tin marked "Office Petty Cash" and for Youth Services petty cash the money will be kept in a separate tin marked "Youth Services Petty Cash"

#### Scope

2.1 The petty cash system for Office petty cash and Youth Services petty cash is designed for purchase of low value items below £50 where formal orders are not reasonably possible or appropriate. Examples include the purchase of postage stamps, milk, key cutting, small cost grounds maintenance purchases, window cleaning etc.

#### Delegation

2.2 The Town Clerk or the Deputy Clerk where the Clerk is absent administers and manages the petty cash system with a rolling balance not exceeding £200 for Office petty cash and a total monthly expenditure not exceeding £100 and an annual expenditure not exceeding £1200 and for Youth Services petty cash a monthly expenditure not exceeding £150 and an annual expenditure not exceeding £1800.

2.3 All delegated petty cash expenditure shall be recorded and reported to Council monthly.

2.4 All expenditure incurred through petty cash is only as permitted under existing delegations (e.g. for meeting expenses, event expenditure or office stationery). Any payments made over the monthly or annual budget limits for Office or Youth Services Petty Cash will be reported to the Finance and Policy Committee.

#### Cashflow and bank charges

2.5 Bank transactions are charged at the rate currently applicable through the banks and it is recognised that these apply to cheques and cash transactions.

2.6 The cash balance would not normally be maintained at less than £30.

#### Other controls

2.7 These include

1. Petty Cash folios are issued with any cash advance and must be returned completed with any claim along with the related receipt and any change. Cash advances will be signed out by the Town Clerk or Deputy Town Clerk and the person receiving the cash. The change from any purchase returned will also be signed in by the Town Clerk or the Deputy Town Clerk.
2. For reimbursements, only the receipt needs to be provided and a folio logging the reimbursement will be signed by the person receiving the petty cash and authorised with a

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## Petty Cash Policy and Procedure

signature of the Town Clerk/RFO or Deputy Town Clerk. The signed folio will be attached to the receipt.

3. No petty cash will be issued without presentation of a valid receipt.
4. Purchases **should not** be made with personal debit/credit card (unless the party supplying will not take cash) but by cash only.

The person claiming petty cash should be the person that collects and signs for the cash and no third person should be acting as a go between to deliver cash.

5. All income and each transaction is logged promptly within the Petty Cash Schedule by the RFO (normally within five working days). Details include the date of the transaction, the purpose, the amount in or out, the balance and the person responsible for the transaction.
6. All receipts are kept in a folder with the relevant folio and Petty Cash Schedule. The Office Petty Cash tin and/or Youth Services tin will be locked and kept in the office safe (access controlled to either tin will only be with approval of the Town Clerk or Deputy in their absence).
7. The Town Clerk and/ or the RFO will make checks on the balance and recorded transactions, prior to the petty cash for Office and Youth Services being reconciled. This will include a check on the actual cash kept. This reconciliation will take place as part of the main Bank Reconciliation process. Bank Reconciliations are reported to Finance and Policy Committee and Full Council monthly. A Councillor (who is a Bank Signatory) will once a month come into the Town Council office to check the contents of the petty cash tins against the Bank Reconciliations for both the Youth Service and the Office and sign the Bank Reconciliations accordingly.
8. Petty cash transactions, including all income and connected banking, are recorded within the accounting software and reported to monthly Finance and Policy Committee meetings and Full Council quarterly. Financial Regulations apply and have been amended to take account of the Town Clerk signing off the Petty Cash Schedules for Office and Youth Services against receipts at not greater than quarterly intervals.
9. Internal and external audits cover the petty cash system.

Petty Cash Policy and Procedure adopted on ..... *13<sup>th</sup> December 2022* .....

Signed: .....  .....

TOWN CLERK

Dated: ..... *13/12/22* .....