

23. PETTY CASH

23.1 Policy

Petty cash floats should be used to pay for small items of expenditure where payment through the account payable system or by credit card is not justified or appropriate.

23.2 Petty Cash Floats

The Finance Manager must approve the establishment of all petty cash floats.

Supervisors or Managers are responsible for the security of petty cash float at each location.

Floats will normally be between \$500 and \$1,000.

23.3 Expenditure

A petty cash voucher must be completed for all items of expenditure.

Receipts or invoices should be attached to petty cash vouchers where it is reasonable for these to be obtained. Receipts/invoices must comply with GST legislation. This requires that the words "tax invoice", date of issue of tax invoice, name of supplier, a brief description of each item supplied, ABN number and either the GST amount or wording along the lines of "total price includes 10% GST", to be clearly stated.

All petty cash vouchers must be approved by delegated Managers or Supervisors.

23.4 Use of Petty Cash Funds

Petty cash floats are only to be used to pay expenditure incurred on allowable work related business.

Petty cash should only be used when absolutely necessary. It is preferable to pay for goods and services through the accounts payable system or by credit card.

Claims for reimbursement should be detailed on Petty Cash Dockets. The following information should be included on these dockets:

- Date of claim;
- Name and signature of employee claiming reimbursement;
- Amount of claim;
- Details of the expense;
- Expenditure codes; and
- Tax invoice/receipt, where applicable.

Individual petty cash expenditures are normally limited to a maximum of \$100.

Personal cheques must not be cashed through the petty cash float.

23.5 Reconciliation and Reimbursement of Petty Cash Floats

Petty cash custodians at each location must monitor float balances. When floats require reimbursement petty cash custodians should reconcile vouchers/supporting documents with cash on hand and the float. Expenditure items should be summarised by cost allocation codes on a spreadsheet.

Vouchers/supporting documents and the spreadsheet should be forwarded to the Accountant.

The Accountant shall check that expenditure is supported by properly completed documentation and has been approved in accordance with delegated authority.

After checking has been completed the Accountant shall arrange for petty cash to be reimbursed.

23.6 Standards of Best Practice

- Petty cash floats to be used to pay for small items of expenditure appropriate to Company business.
- Petty cash expenditure to be accompanied by properly completed receipts or invoices, approved in accordance with delegated authority and compliant with GST legislation.
- Petty cash floats to be reconciled each time reimbursement is prepared.
- Employees to be reimbursed for expenditure incurred on Company business without undue delay.

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