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Created : 01/25

Ratified By Governors: 02/25 Review Date: 02/27

**PETTY CASH POLICY**

**1. PURPOSE**

* 1. To implement a petty cash process that complies with the Department for Education’s policy requirements.
  2. All petty cash accounts are kept on an imprest basis. This means that at any point in time, the sum value of receipts, outstanding Petty Cash claims, cash in hand and the bank account balance should be equal to the amount of the Petty Cash imprest.
  3. Claims for the reimbursement of Petty Cash imprests should be made to the petty to Accounts Payable. It is recommended that this is done each time a quarter of the imprest is spent.

**2. SCOPE**

2.1 This policy applies to petty cash held by Carhill Integrated Primary School, that may be utilised by school staff for small purchases at the discretion of the Principal and/or petty cash custodian.

**3. POLICY**

3.1 Petty cash may be utilised to meet minor payments for school-related purposes other than salary and wages.

3.2 The limit on any one payment is £100. Any exceptions to this must be requested in writing and approved by the Principal and the cash custodian.

3.3 Receipts must be obtained for all expenditures and retained for audit purposes.

3.4 A separate cashbook must be kept recording all transactions for funds in and out of the Petty Cash imprest.

3.5 Cash must be kept locked in a cashbox in a secure location at all times in the administration area.

3.6 Petty Cash will maintain an advance of £200 and lodgements for excess funds will be made once a week into the primary school fund account.

3.7 An immediate lodgement will be made for any excess in the Petty Cash imprest that exceeds £500 above the agreed advance.

3.8 Examples of allowed expenditures are:

* Postage
* Subscriptions
* Educational Visits and Trips
* Stationary (outside of that available through EA contracts)

3.9 Examples of expenditures that are not allowed are:

* Goods and/or Services that can be purchased through IProcurement.
* Wages / Salaries
* Mileage
* Car Parking Fees
* Travel expenses, such as Bus, Train or Taxi Fares when travelling to the normal place of work.
* Cashing of Personal Cheques (Staff or Parent)

4.0 In the event that the funds are required before a receipt can be provided a petty cash voucher must be issues to maintain the balance of the imprest. Discarding the voucher when the appropriate receipt(s) and/or returned funds are provided.

4.1 The balance of the Petty Cash imprest must be checked and reconciled on a daily basis. This should be indicated in the cashbook by initialling the next blank ledger line.