



# Long Stratton Town Council

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### Petty Cash Policy and Procedure

#### Background

Long Stratton Town Council recognise that there are incidences where the Council will need to manage handling cash and as such have made the decision to operate a Petty Cashbook. Petty cash will have strict controls and this policy in conjunction with the Council's Financial Regulations will document how petty cash is to be managed.

#### 1. Working balances

- 1.1 The total amount of petty cash held at anyone time is to be a maximum of £1000. This amount allows a working float for events and allows cash payments to be made for services provided aka newsletter delivery.
- 1.2 In the event where the Council's petty cash exceeds £1000, cash will be paid into the Council's Unity Trust bank account through the bankers nominated bank or nominated post office to reduce the balance at the first available opportunity. The amount withdrawn from the petty cash safe will be counted by no less than 2 people who will sign and counter sign to confirm amount which will then be supported by the receipt from the bank or post office.
- 1.3 Petty Cash account can be topped up where required through cashing of a Unity Trust Cheque.

#### 2. Controls

- 2.1 Financial Regulations and this policy provide the controls for managing petty cash in this section.
- 2.2 The Council's credit card is still the preferred method of payment, however the Council recognises that there may be occasions where petty cash will need to be used by Council officers for items such as recorded delivery, milk etc.
- 2.3 All purchases will be accompanied by a receipt.
- 2.4 Payment for services will be signed for by the Town Clerk and Recipient to confirm payment has been made.
- 2.5 Income received from events will be counted by a minimum of one officer and one Councillor and will be signed and counter signed respectively, entered into a receipts book which provides a carbon copy and evidenced to the rest of the Council.
- 2.6 A denominations record will be kept with received income to provide additional accuracy.
- 2.7 Income received from bookings will be signed by the booking hire and the receiving officer in a receipts book which produces a carbon copy which will then be evidenced to members.
- 2.8 The RFO will be responsible for the recording all transactions in the Councils accounting system RBS. Petty cash cashbook will be presented at Finance meetings no less than quarterly.
- 2.9 Petty Cash counting must be carried out and recorded quarterly and signed by 1 officer and the internal scrutineer



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- 2.10 Petty cash cashbook reconciliations must be carried out monthly and reviewed by the finance committee no less than quarterly.
- 2.11 Petty Cash reconciliations will be accompanied by a denominations sheet.
- 2.12 The receipts book and the cashbook will be spot checked by the internal scrutineer.
- 2.13 Petty cash will be kept in a secure location under lock and key.
- 2.14 Internal and external audit cover petty cash controls.
- 2.15 Any income in excess of £500 to be banked must be done so at the earliest opportunity by a minimum of 2 people.

Adopted by Long Stratton Town Council 9<sup>th</sup> May 2022

Adopted May 2023

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