

# EMAKHAZENI LOCAL MUNICIPALITY



# PETTY CASH POLICY ANNEXURES

APPROVED BY COUNCIL ON: \_ JUNE 2015

IMPLEMENTATION DATE: 1 JULY 2015

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1. Petty cash procedures



## EMAKHAZENI LOCAL MUNICIPALITY

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Office of the Municipal Manager

### PETTY CASH PROCEDURES

#### **General Petty Cash Practice:**

1. The petty cash should always balance to R xxx, by means of cash or kind (eg. Tax invoices).
2. A petty cash count may be done at any time and should balance to the R xxx (cash and/or kind).
3. The policy on petty cash should always be adhere to
4. No cash or kind from a difference source may be kept together with petty cash

#### **Duty and Responsibilities of the Petty Cash Official:**

1. It is the duty and responsibility of the petty cash official:
  - To ensure that the cash and kind of the petty cash are kept safe at all times
  - To ensure that no cash are borrowed or loaned from petty cash
  - To ensure that no petty cash claims are processed without original proof of expenditure documentation
  - To ensure that the petty cash balance to the float value at all times in cash and/or kind
  - To ensure that any surplus money at petty cash are paid into the surplus vote under the Finance Department.
  - To ensure that no shortfall of cash or kind incur and will take the responsibility to refund the shortfall of cash from the petty cash official's personal funds.
  - The petty cash journal should be updated daily with the transactions of petty cash.

#### **Procedures of Petty Cash Requisition:**

- An petty cash requisition form should be completed and signed by the Manager of the department requesting to purchase an item and claim then to be claimed from petty cash
- An expenditure vote should be requested from the Budget Officer by the person submitting the claim to petty cash, before initiation of an purchase to be claimed from petty cash.
- This requisition form should be submitted to the petty cash official once vote have been obtain to file until the claim.

**Procedures of Petty Cash Advance request:**

- An petty cash advance form should be completed and signed by the Manager of the department requesting to purchase an item.
- The advance may only be collected by the person who requested the petty cash and will sign the advance form as acknowledge of receipt of the cash.
- The original proof of expenditure (eg. Tax invoice) shall be submitted within 48 hours after the purchase to the petty cash official, if not then a salary deduction will be issued for the official whom accepted the advance to refund this transaction.

**Procedures of Petty Cash Claims:**

1. Petty cash claim:
  - The original proof of expenditure (eg. Tax invoice) shall be submitted within 48 hours after the purchase to the petty cash official, where upon the proof of expenditure (tax invoice) will be matched with the requisition form for petty cash.
  - Once the petty cash requisition and proof of payment have been matched the claim will be processed.
  - The Petty cash claim should be signed by the person submitting the claim and the petty cash official to acknowledge the handing over of the money claimed from petty cash.
  - The original proof of expenditure will be attached to the Petty cash claim form and kept safe until submitted to the expenditure for the cheque requesting the petty cash top-up.
  - Any request for advances from petty cash should be approved by the CFO.

**Procedures of requesting cheque for float top-up:**

1. The petty cash official shall submit a copy of the petty cash journal (page identifying the cash balance of petty cash) together with the Petty cash requisition form (which got the proof of expenditure attached to it) to the expenditure department that will constitute the value of cheque for the top-up of petty cash float and these balances should always balance to the float by means of cash and/or kind.
2. After submission of request for the top-up cheque for petty cash to the expenditure department, the expenditure department will reconcile the petty cash claim forms and compile a cheque for the petty cash.
3. Before a cheque shall be issued by the expenditure department to the petty cash official for the top-up of the petty cash float, a petty cash count should be done. The balance in the petty cash should balance with the petty cash journal's balance together with the reconciliation done by the expenditure department.
4. Should the petty cash balance after the count, a cheque will be issued to the petty cash official.
5. The petty cash official should deposit the cheque at the finance department's cashier immediately after the cheque was received. The cashier will supply the petty cash official with the value of the cheque, in cash.

Acknowledgement of responsibility:

Authority of responsibility:

\_\_\_\_\_  
Petty Cash Official

\_\_\_\_\_  
Chief Financial Officer



3. Petty cash count form



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<u>Name of Petty Cash Official:</u>
<u>Date of Count:</u>

Total Counted in Petty Cash: \_\_\_\_\_

<u>Proof of vouchers on hand:</u>	
1	
2	
3	
4	
5	
<u>Notes:</u>	

<u>Cash:</u>	
R 200	
R 100	
R 50	
R 20	
R 10	
R 5	
R 2	
R 1	
R 0.5	
R 0.2	
R 0.1	
R 0.05	
R 0.02	
R 0.01	
<b>TOTAL:</b>	

\_\_\_\_\_  
 Name:  
 Finance Dept

\_\_\_\_\_  
 Name:  
 Finance Dept

\_\_\_\_\_  
 Name:  
 Petty Cash Official

4. Official hand over of petty cash form



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Office of the Municipal Manager

### OFFICIAL HAND OVER OF PETTY CASH

**Date:** \_\_\_\_\_

Here with the official hand over of petty cash to Mrs/Ms \_\_\_\_\_ from Mrs/Ms \_\_\_\_\_.

The current amount in petty cash at the hand over: R \_\_\_\_\_

A cheque for the top up of petty cash will be issued to petty to the value of R \_\_\_\_\_  
to produce the R \_\_\_\_\_ float of the petty cash.

**Handed over by:**

**Accepted by:**

\_\_\_\_\_  
**Mr/Ms**  
Petty Cash Official

\_\_\_\_\_  
**Mr/Ms**  
Petty Cash Official

**Authorised by:**

**Witness:**

\_\_\_\_\_  
**Mr/Ms**  
Deputy Manager Supply Chain

\_\_\_\_\_  
**Mr/Ms**  
Finance Department: Witness

5. Petty cash replenishment form



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**PETTY CASH REPLENISHMENT FORM**

DATE	PREVIOUS CLAIM	TOTAL FLOAT	CASH AVAILABLE	AMOUNT REQUESTED	PETTY CASH OFFICIAL

NOTES/COMMENTS:

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REQUESTED BY:

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DATE:

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AUTHORISED BY:

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DATE:

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**6. Petty cash advance voucher**



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**PETTY CASH ADVANCE VOUCHER**

<b>DATE</b>	
<b>TIME</b>	
<b>NAME OF OFFICIAL</b>	
<b>REASON FOR REQUEST</b>	
<b>AMOUNT REQUESTED</b>	
<b>AMOUNT RECEIVED</b>	

I hereby request the above amount, for the reasons set out above, on the date and times specified set out above and bind myself to the prescriptions of the PETTY CASH POLICY as set out below.

**EXTRACTION FROM PETTY CASH POLICY**

The Petty Cash Officer shall only issue cash to employees once they have completed a properly authorised advance voucher and the applicant must personally collect the advance payment.

The quantity and descriptions of the items to be purchased shall be specified and purchases must be motivated in full.

The Head of the Section in which the employee is employed shall sign the advance voucher to indicate authorisation.

Supporting vouchers for the advance shall be submitted to the Petty Cash Officer within 48 hours of the advance been given. If an advance is not settled by a claim submitted to the Petty Cash Officer within forty eight hours, it shall be deducted from th

**Signature Official** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**Signature Manager** \_\_\_\_\_ **DATE:** \_\_\_\_\_

7. Petty cash request form



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**PETTY CASH REQUEST FORM**

**For use at:** \_\_\_\_\_

**Post/Vote No:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Item nr	Quantity Required	Description	Quantity Issued

Requested by: \_\_\_\_\_

Issued by: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by: \_\_\_\_\_

Received by: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

8. Petty cash claim form



EMAKHAZENI LOCAL MUNICIPALITY

**PETTY CASH CLAIM FORM**

**For use at:** \_\_\_\_\_

**Post/Vote No:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Item nr	Quantity Required	Description	Quantity Issued

Requested by: \_\_\_\_\_

Issued by: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by: \_\_\_\_\_

Received by: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_