

RECORDING PETTY CASH

Establishing the Float

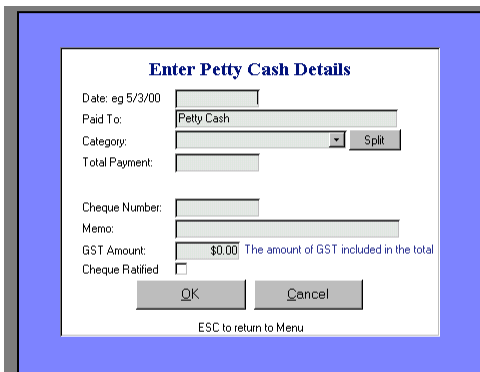
Step 1

Establishing the float

The amount of petty cash float will vary from preschool to preschool. Last year's treasurer should be able to guide you as to how much to make your float. A float cheque is **ONLY** drawn once at the beginning of the year (unless you need to increase the float = See entry below).

Once you've decided on the amount, make out a cheque to 'Cash' for that amount and give it to the person responsible for petty cash at your preschool. (You or your Assistant could cash this cheque while doing the banking, saving the Teachers, or whoever runs petty cash, an unnecessary trip).

Step 2



Enter Petty Cash Details

Date: eg 5/3/00

Paid To:

Category: Split

Total Payment:

Cheque Number:

Memo:

GST Amount: The amount of GST included in the total

Cheque Ralified

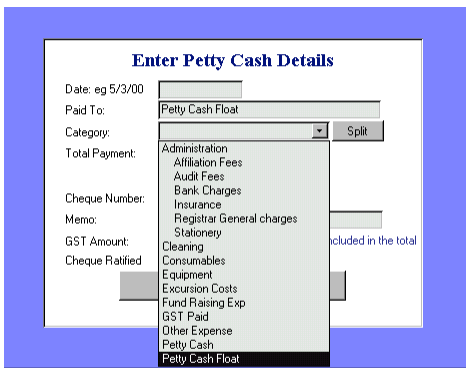
ESC to return to Menu

Recording the float

At the Main Menu, click on **Petty Cash** button which takes you to this "Enter Petty Cash Details" screen.

Entering details here is the same as shown in the Recording Payments section. The only difference is that when you write the cheque to establish the float at the beginning of the year, it is allocated to the "Petty Cash Float" category in the drop down category list (shown in Step 3 below).

Step 3



Enter Petty Cash Details

Date: eg 5/3/00

Paid To:

Category: Split

Total Payment:

Cheque Number:

Memo:

GST Amount: included in the total

Cheque Ralified

ESC to return to Menu

- Administration
- Affiliation Fees
- Audit Fees
- Bank Charges
- Insurance
- Registrar General charges
- Stationery
- Cleaning
- Consumables
- Equipment
- Excursion Costs
- Fund Raising Exp
- GST Paid
- Other Expense
- Petty Cash
- Petty Cash Float

Select the Petty Cash Float category

Enter the date of the cheque and select the **Petty Cash Float** category

You will note that once you have done this the "Paid To:" box also changes to "Petty Cash Float".

😊 Never enter any reimbursements against this cheque. The petty cash float is repaid at the end of year. See entry "Closing off Petty Cash for end of year".

Step 4

Enter Petty Cash Details

Date: eg 5/3/00

Paid To:

Category:

Total Payment:

Cheque Number:

Memo:

GST Amount: The amount of GST included in the total

Cheque Ratified

ESC to return to Menu

Complete the data entry

Now enter the amount and number of the cheque in the respective boxes and select the Cheque Ratified box if appropriate.

Click on **OK** when finished.

Done!

😊 What about the GST?

GST is not relevant to the float, so leave it as a nil amount.

😊 What if I have to increase the float?

Should you need to increase the size of the float during the year, you follow the same procedure as above. **BUT** the cheque drawn is only for the extra amount the float is being raised. eg if you have a \$100 float and want to raise it to \$150, you **only draw a cheque for \$50**. The subsequent reimbursement cheques will be to bring the float back to the new level, in this case \$150.

See how to deal with reimbursements below.

Recording Petty Cash Reimbursements

The Petty Cash is then used for small purchases by the authorised person eg Teachers, Treasurer.

When they have spent most of the float they hand you the Tax Invoices/Receipts and you draw a reimbursement cheque for the **total amount of expenses only** which will bring the float back up to the amount of the original float cheque. eg if your float is \$100 and \$98.10 has been spent a cheque is drawn for \$98.10.

These tax invoices/receipts are recorded against this new reimbursement cheque NOT the Float cheque or any previous reimbursement cheque.

Some preschools also put a timeframe on petty cash eg it is only reimbursed monthly and if expenditure goes over this you need to request authorisation for further purchases or wait until next month. It is also a good idea to have a manual recording system for the person looking after the petty cash to fill in and hand to you.

Step 1

Enter Petty Cash Details

Date: eg 5/3/00

Paid To:

Category:

Total Payment:

Cheque Number:

Memo:

GST Amount: The amount of GST included in the total

Cheque Ratified

ESC to return to Menu

Choose Petty Cash

At the Main Menu, click on the **Petty Cash** button which takes you again to the “Enter Petty Cash Details” screen.

Enter the date and select Petty Cash Reimbursement in the drop down menu in the “Category” box.

Step 2

Split Transaction

Category: Amount: Remove

Memo:

Categories: 0 Total Amount:

ESC to return to Menu

Entering the Tax Invoices/Receipt details

Click on the **Split** button to bring up the “Split Transaction” window.

Now you enter details about each invoice/receipt you that you have written this reimbursement cheque for.

Select the category, enter the amount and put description of expense in memo box.

When you select a category a new row will appear to enter another reimbursement. When you have entered all the amounts for this reimbursement cheque, click OK.

Step 3

Fill in the rest of the details in “Enter Petty Cash Details” window. Enter the total amount of the reimbursement cheque, the cheque number, any other memo needed and the GST amount for all the Tax invoices/receipts entered for this cheque. Check GST amount is actually what was charged. This will usually need to be added up manually, don’t rely on double clicking the GST to make an automatic entry for GST. eg petty cash is often used to purchase milk and other items which do not attract GST.

Closing off Petty Cash for end of the Year

Step 1

Collect the tax/invoices at the end of the year AND any remaining cash float.

Step 2

Draw a reimbursement cheque as above, as if you were continuing. Deposit this reimbursement cheque and the remaining cash float. DO NOT write a receipt for this. Good idea to deposit this separately, ie with no other receipts and note on deposit slip this is a repayment of petty cash float.

Step 3

Go into “Bank Deposit” on the Main Menu. Enter the date of deposit and enter the amount deposited for the repayment of petty cash float in the “Repaid Petty Cash” box.

Click OK.

REMEMBER this should be done **before** 31 December.

Follow the same procedure for each petty cash float you have eg Teacher’s Petty Cash, Committee Petty Cash.

That’s it! Petty cash is closed for the year.

The screenshot shows a software dialog box titled "Enter Deposit Details". It contains the following elements:

- Date:** A text input field.
- Select Receipts:** A table with columns: Incl, Date, Rec No, PaidBy, Amount. The table is currently empty.
- Memo:** A text input field.
- Repaid Petty Cash:** A text input field containing the value "\$0.00".
- Total of Deposit:** A text input field containing the value "\$0.00".
- Buttons:** "OK" and "Cancel" buttons.
- Footer:** The text "ESC to return to Menu".

An arrow from the text in Step 3 points to the "Repaid Petty Cash" field.