



FAIRFIELD NURSERY SCHOOL

PETTY CASH/IMPREST ACCOUNTS POLICY

November 2025

OVERVIEW

This document is intended to provide an overview of petty cash/Imprest accounts for schools and guidance around best practice when operating an Imprest account.

1. GENERAL

- 1.1 Generally the purpose of an Imprest Account is to fund small purchases which are urgent or where an order is not warranted or appropriate.
- 1.2 The Imprest Account at each school will be operated using a bank account, with a cheque book facility arranged by Exchequer Services. Once an Imprest account has been opened, a maximum of two debit cards may be requested for use with the account.
- 1.3 The credit limit of the Imprest Account is likely to vary from school to school according to use. The initial amount may be adjusted in the light of experience and in consultation with Exchequer Services.
- 1.4 The account must not be allowed to become overdrawn, nor be temporarily supplemented by the use of school funds or other unofficial funds. It must not be used to bank income from other sources and direct debits and standing orders must not be set up.
- 1.5 It is recommended that the Imprest account is operated using the 'Petty Cash' facility on the schools FMS system. This should allow the current balance on the Imprest Account to be readily accessible

SECURITY

- 2.1 Any cash/debit cards within a school should be stored securely, preferably in a safe, or in a locked filing/cabinet or drawer. Cash/debit cards should never be left unattended.
- 2.2 Cheque books and PIN numbers should also be stored securely and separately to the debit card. On no account should cheques ever be pre-signed..

- 2.3 If a card is lost or stolen, the bank/authority must be notified immediately.
- 2.4 All obsolete and outdated cards must be destroyed in a secure manner.
- 2.5 Any losses or suspected irregularities concerning the operation of the Imprest account should be reported immediately to both Exchequer Services and Lancashire County Council Audit Section.
- 2.6 Although Insurance cover is available under the terms of the County Council's Cash and Fidelity Guarantee Policy, this policy contains a large excess clause which, in effect, means that the school will have to stand any loss incurred.
- 2.7 School is also reminded of the requirement to maintain separation of duties in the operation of the financial procedures.

3. SIGNATORIES

- 3.1 It is recommended that the signatories on the Imprest Account be the Bursar/SBM and the Headteacher, with two people signing cheques. It is advisable to have a third authorised signatory for in the event of staff absence. A record of the signatories, including specimen signatures, should be kept. Any changes to these signatories should be notified immediately to Exchequer Services.

4 EXPENDITURE PROCEDURES

Expenditure from the Imprest Account is generally incurred by the direct purchase of an item (or services) without an order being placed. Any expenditure relating to the account should have supporting documentation, an invoice, official VAT receipt/till receipt should be obtained. If this is not possible, the Imprest holder should complete a petty cash voucher.

A permanent, up to date Imprest record, detailing the amount of the Imprest account and details of each payment should also be maintained and is the responsibility of the account holder.

Schools should submit reimbursement claims on a regular basis, this can be more than one in a month when required. Schools should retain copies of all claims.

The monthly bank statement should be reconciled to the Imprest account each time a claim is submitted for reimbursement.

Schools should remember that budgetary control procedures relating to purchasing of goods and services should be applied to purchases from Petty Cash.

5 TEMPORARY ADVANCES

- 5.1 There may be occasions where a temporary advance is required to make one off purchases,. Please contact Exchequer Services in this instance.
- 5.2 Temporary advances will be recovered from the subsequent monthly reimbursements.

6 RETENTION OF RECORDS

- 6.1 All bank statements and Imprest records must be retained as per the Retention of Records guidance.