

GUIDELINES FOR IMPREST ADMINISTRATORS (NON SCHOOL)

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1) Introduction

Imprest accounts are a useful financial aid to pay for urgent and low value items for which raising a payment through Accounts Payable would be impractical.

It is important that these accounts are properly controlled as they are vulnerable to theft or misuse. Because of this Corporate Banking regularly monitors the level and use of imprest accounts.

2) Items not to be paid through Imprest Accounts

The following items are not permitted to be paid out of imprest accounts:

➤ **Personal expenses exceeding £10.**

Personal expenses for items exceeding £10 such as for parking, rail fares or subsistence should not be reimbursed through an imprest account. These should be reclaimed by

submitting an expense claim to Accounts Payable. Agresso users can reclaim their travel expenses by completing their claim online in Agresso.

➤ **Supplier Invoices**

All invoices should be paid through Accounts Payable and not out of imprests.

- **Direct Debits and Standing Orders**
- **Encashment of personal cheques**
- **Casual car mileage or other taxable benefits**
- **TV Licences**
- **Loans to employees**
- **Salaries**

Misuse of an imprest account could result in the imprest being withdrawn and/or disciplinary action being taken against the employee concerned.

### 3) Payment Vouchers and Supporting Records

An Agresso payment voucher should be completed for each item of expenditure, these can be downloaded on Boris under: [Corporate Services > Finance > Agresso > Expenses>Imprest/Petty-Cash Form](#).

Payment vouchers should be signed by both the person who has incurred the expenditure and by a relevant **Agresso authorising officer**. Where the person who has incurred the expenditure is an Agresso authoriser it is necessary for their line manager to certify the voucher. Under no circumstances should an officer authorise their own expenditure.

A receipt or some proof of purchase should be obtained. Where this has not been obtained, the authorising officer must be satisfied that the expense has been incurred before approving the expenditure. Where appropriate a VAT receipt or invoice should be obtained to enable the Council to reclaim any VAT incurred.

Where money is given to clients, proof of collection should be obtained from the client.

When a payment is made by cheque the cheque number should be written on the payment voucher.

For guidance on which VAT code to use please see Appendix A – 'VAT Rules for Imprest & Petty Cash A/Cs' on page 7.

### 4) Reimbursing your Imprest Account

Imprest accounts should not be allowed to go overdrawn and should be reimbursed at least once a month. It may be necessary to have your account reimbursed more frequently than this to ensure there are always sufficient funds in the account to cover any cheques or payments subsequently drawn prior to the account being reimbursed.

To have your imprest reimbursed you will need to reconcile the account and submit an imprest claim to Corporate Banking (See sections 5 & 6 below).

## 5) Reconciling your Imprest

Your imprest account needs to be regularly reconciled to ensure all items of expenditure have been recorded, to confirm the amount claimed for reimbursement is correct and to ensure that the advance can be fully accounted for.

To reconcile your account you will need to complete the reconciliation section on the **Imprest Header Sheet (Appendix B)**. Templates of these front sheets can be downloaded on Boris under: [Corporate Services > Finance > Financial Planning & Budgeting](#).

The balance as per the bank statement, plus any cash in hand, less unpresented cheques equals the balance of the imprest, which is the amount of money remaining in the account available to be spent.

You may find the following definitions useful:-

1. **Unpresented Cheques:** - These are cheques that have been raised but have not yet showing on the latest bank statement. These should be listed in the top section of the reconciliation.
2. **Cheques drawn not yet reimbursed:** - These are cheque payments that have not yet been claimed for and are included in the current claim.

The top and bottom half of the reconciliation should produce the same figure. If the two figures 'Balance of Imprest' and 'Total Imprest Held' are not equal one or more of the figures entered in the reconciliation must be incorrect and will need to be investigated.

Should it not be possible to fully reconcile the imprest account please contact your departmental finance team to discuss the imbalance (see section 12 for contact details). Any misappropriations of cheques, cash or other floats must be reported immediately to Corporate Banking.

## 6) Submitting a claim for reimbursement

A complete claim should comprise of the following:

- Header Sheet – This shows your supplier number and your unique Agresso detail code, as well as the reconciliation of the account and the list of vouchers that make up the current claim.

This sheet should be signed by the person who has completed the claim to certify that it has been completed in accordance with these guidelines.

The Header Sheet should also be signed by a second person to confirm that they have checked the figures in the reconciliation, this is particularly important in the case of the cash in hand figure.

An example of a completed header sheet is shown in Appendix B.

- A copy of the bank statement used for the reconciliation
- Payment Vouchers and copies of receipts for the expenditure being reclaimed. The total of the vouchers must equal the total claim amount.

**Please note that all documents will have to be scanned by Accounts Payable and you are therefore requested to photocopy all receipts onto white A4 paper. Please do not use glue, staples or sellotape as these can damage the scanner.** Provided that copies of receipts are included with your claim original receipts do not need to be retained.

**Please send your completed claims to Corporate Banking, 3<sup>rd</sup> Floor, Easthampstead House. Please note that failure to comply with this guidance may result in your reimbursement being delayed.**

#### 7) Stopping a cheque

If you need to cancel a cheque, for example if a cheque has been lost in the post, please inform Corporate Banking who will contact the bank and arrange for the cheque to be stopped.

In order to action the stop Corporate Banking will need the following information:

- Payee
- Amount of cheque
- Cheque number
- Date
- Reason for the stop
- The date or sheet number of the latest bank statement received

If a stop is placed on a cheque for which you have already submitted a claim you will need to include a credit voucher in your following claim to reduce the amount of your next reimbursement.

#### 8) Income

The only payments made into your imprest account should be the reimbursement of the float and change relating to purchases where an advance has been made. All other income should be paid into the Handitills in the Easthampstead House or Time Square receptions quoting the relevant account code and cost centre to be credited.

## 9) Year End Procedures

The deadline for claims to be received by Corporate Banking if they are to be processed in the old year will be given to you by your departmental finance team and is usually the 3<sup>rd</sup> working day after the 31<sup>st</sup> March.

## 10) Security of Cheques and Cash

Unused cheques and cash must be safeguarded at all times to prevent potential losses through theft or fraud. Cash and cheques must be kept in an appropriate secure location with access only to authorised staff.

Cheques need to be signed by two of the authorised signatories for the account. If changes need to be made to the list of authorised signatories please contact Corporate Banking. If someone is to be added to the list you will need to provide 3 specimens of their signature on headed paper.

## 11) Loyalty Cards

Employees are not allowed to use their personal loyalty cards such as Tesco Clubcards when purchasing goods on behalf of the Council. It is ok however to apply for such a card in the name of the Council for use when purchasing items through the imprest.

## 12) Further Information

**If you have any further queries regarding the processing of your claim please contact Corporate Banking:**

Ryan Stone	Tel: 01344 352083
Denise D'Souza	Tel: 01344 352092
Jo Usher	Tel: 01344 352089

Fax: 01344 353199  
Email: [Corporate.Banking@Bracknell-Forest.gov.uk](mailto:Corporate.Banking@Bracknell-Forest.gov.uk)

**If you require assistance with the operation of your imprest account please contact your departmental finance team:**

### **Corporate Services**

Helen Pennington  
Tel: 01344 352273  
Email: [helen.pennington@bracknell-forest.gov.uk](mailto:helen.pennington@bracknell-forest.gov.uk)

### **Adult Social Care, Health and Housing**

Ramesh Prashar  
Tel: 01344 351604  
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**Children's Social Care Team**

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**Education Team**

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**Leisure, Planning & Transport, Policy & Resources**

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**Environment, Public Protection & Housing**

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## VAT Rules for Imprest & Petty Cash A/Cs

Common reasons for making a claim from an Imprest or Petty Cash account are transport, food/refreshments/provisions, cleaning products, postage, equipment and stationery. These all have different VAT codes and under certain circumstances the same item is dealt with differently.

### Definitions

P1 – Exempt Input

P2 – Zero Rated Inputs

P3 – Non Business Inputs

P4 - Standard Rated Inputs

### Three important points:

ANYTHING without a receipt is non business VAT (P3).

Where goods are normally Standard rated (P4) and the receipt has no VAT number, these should be entered P3.

If at all possible, claim the VAT! This means getting a VAT receipt. This helps everybody, as only the net value gets charged to your budget, therefore leaving more money available for the important things.

### Transport

Any vehicle capable of carrying more than 10 passengers (bus, train, aeroplane) is Zero rated (P2).

Taxis are Standard rated (P4) but this can only be claimed back if the receipt is a VAT receipt i.e. carries a VAT number. No VAT number on receipt therefore means a non-business VAT code P3. Car Parking is Standard rated (P4) with or without a VAT receipt (under de minimis rules).

For example: if you park at the station and get a train and/or bus to a course you will need to fill out 2 lines on your voucher.

1256 \*\*\*\*\* A1 A1 A1 A1 P4 – car parking

2500 \*\*\*\*\* A1 A1 A1 A1 P2 – Staff public transport fares

### Postage

This is always Exempt VAT (P1), whether bought from the Post Office, local shop or supermarket. Postage (3400 \*\*\*\*\* A1 A1 A1 A1) includes stamps, recorded delivery and special delivery. Using a paid courier e.g. TNT will be Standard rated (P4) and is not technically postage.

### Food

Food generally, e.g. milk, tea, coffee, bread, butter, jam, plain biscuits, cereals etc is Zero rated (P2). The exceptions are normally luxury goods which do carry VAT (P4). Examples being anything with chocolate, ice creams, manufactured beverages (fizzy drinks, bottled water, squash etc), crisps, salted and/or roasted nuts. **Helpful hint:** Sainsbury and Tesco mark Vatable items with an asterisk, Morrisons use an 'a' on the right of the amount.

For example: if you buy plain and chocolate biscuits for a meeting you will need to enter 2 lines on your voucher

3455 \*\*\*\*\* A1 A1 A1 A1 P2 – refreshments – plain biscuits

3455 \*\*\*\*\* A1 A1 A1 A1 P4 – refreshments – chocolate biscuits

### **Subsistence/Client Outings**

Refreshments bought from a snack bar/restaurant to eat on the premises e.g. while on a course, on a day trip or away on business are normally Standard rated VAT (P4). COLD food e.g. sandwich, bought to take away is Zero rated (P2), HOT food and hot and cold drinks e.g. burger & chips, tea or coffee, Coke or water bought to take away is Standard rated (P4). No VAT number on receipt therefore means non business VAT (P3). Admission charges are usually Standard rated (P4), but see note under Standard rated (page 9).

### **Equipment**

This could be anything from batteries to a new kettle to tools for workmen. If you have a VAT receipt then it is Standard rated (P4). **Helpful hint:** Argos has the VAT number on the back of their receipts, so please photocopy both sides. No VAT number on receipt therefore means non business VAT (P3).

### **Stationery**

This could be anything from re-writable CD's to sticky labels. If you have a VAT receipt then Standard rated (P4). No VAT number on receipt therefore means non business VAT (P3).

### **Payments to Clients**

#### **This applies mainly to Social Services teams**

Where we pay for an item for a client and we have the receipt then Standard rated (P4) VAT can be claimed in the normal way. If we give the client money, e.g. to purchase an electricity key top-up or weekly allowance, then non business VAT (P3) should be entered on the voucher, as we are not directly purchasing anything.

### **Books and Newspapers**

These are Zero rated VAT (P2), as are magazines and maps. Audio visual items e.g. talking books, are Standard rated (P4).

### **Professional Memberships/Trade Bodies**

These are usually Exempt VAT (P1), but if the invoice shows VAT then it is Standard rated (P4).

### **Educational Courses**

If run by public bodies e.g. BFBC are Exempt VAT (P1), but if run by private enterprise, they are Standard rated VAT (P4).

### **Nappies**

Both disposable and terry nappies are Zero rated (P2).



**Other Standard rated VAT items (P4)**

Cleaning products

Petrol

Medicines/first aid supplies (except prescription charges NHS (P3), private (P2))

Admission charges to entertainment venues, theme parks etc, (except museums, galleries, zoos, theatrical performances supplied by public authorities (P3)).

These are not definitive lists. Should you need to pay out for other items not listed and are unsure of which VAT code to use then please contact your departmental finance team.

## DEMOCRATIC SERVICES IMPREST CLAIM

<b>Supplier Number:</b>	578777
<b>Code:</b>	9354 B100A D0777

VAT Type 0

Imprest Claim for the Period: December 2012

\*\*\* Claims should be submitted at least once a month \*\*\*

## Voucher List

Voucher	Value
1	2.24
2	3.2
3	8.5
4	50
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
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43	
<b>Current Claim</b>	<b>63.94</b>

## Reconciliation

	£	£
Balance Current Bank Statement No 108		339.73
ADD:Cash in Hand		160.90
LESS Unpresented Cheques:		
	<i>Cheque Number</i>	
	544	12.00
	547	50.00
	552	50.00
	568	50.00
	573	50.00
	574	60.00
	575	50.00
		322.00
Balance Of Imprest		178.63
Original Advance		500.00
Less Cheques Drawn not yet reimbursed: (A)		
	<i>Cheque Number</i>	
	575	50.00
Less Cash Drawn not yet reimbursed (B)		13.94
Less current claim (A+B)		63.94
LESS Any outstanding reimbursement claims		257.43
Total Imprest Held		178.63
	<b>Check</b>	<b>0.00</b>
	Should be zero	

I certify this claim is correct and has been completed  
in accordance with the Council's Imprest Guidelines:

..... *V Hickey* ..... Date *31.12.12*

Checked by: ..... *[Signature]* ..... Date *31/12/12*

A copy of the Council's Imprest Guidelines can be found on Boris under:

Departments>Corporate Services>Finance> Financial Planning and Budgeting