RESTAURANT PETTY CASH POLICY

Effective Date: 25 July 2026
Department: Finance

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1. Purpose

The purpose of this Policy is to establish clear guidelines for the administration, safeguarding, utilization, and control of petty cash funds used to meet small, urgent, and operational expenses within the restaurant. This policy aims to ensure accountability, transparency, and proper financial control over petty cash transactions.

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2. Petty Cash Custodian

The **Restaurant Manager** shall be the designated **Petty Cash Custodian** and shall be responsible for the safekeeping, administration, reconciliation, and proper use of the petty cash fund.

2.1 Custodian Responsibilities

Responsibilities
Safeguard the petty cash fund at all times.
Maintain the approved petty cash float.
Ensure all petty cash transactions are supported by complete and valid documentation.
Record all petty cash transactions promptly and accurately.
Perform daily reconciliation of the petty cash fund.
Keep petty cash in a locked cash box or other secure location.
Restrict access to authorized personnel only.
Immediately report any shortages, overages, discrepancies, or suspected misuse to the Executive Director and Finance Department.

2.2 Prohibited Practices

The following activities are strictly prohibited:

- Borrowing from petty cash.
- Splitting transactions to circumvent approval limits.
- Processing reimbursements without supporting receipts.
- Using petty cash for personal expenses.
- Altering, falsifying, or tampering with receipts.
- Cashing personal cheques.
- Keeping IOUs or unofficial records in the petty cash box.

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3. Petty Cash Fund and Transaction Limits

The approved petty cash fund shall be **PGK 5,000.00**.

The petty cash fund may be maintained through either of the following methods:

- Physical cash maintained in a secured petty cash box; or
- Transfer of funds to the Restaurant Manager’s nominated bank account, subject to Management approval.

All petty cash transactions must be reasonable, necessary, and directly related to restaurant operations.

4. Permitted Uses of Petty Cash

Petty cash shall only be used for small and urgent operational expenses where immediate payment is necessary and the normal procurement process is impractical.

4.1 Allowable Expenses

Category	Description	Examples
Meat & Poultry	Emergency purchase of meat products	Beef, chicken, pork, lamb
Seafood	Emergency seafood purchases	Fish, prawns, squid, crab
Fruits & Vegetables	Fresh produce purchases	Lettuce, tomatoes, onions, potatoes, bananas
Dry Goods & Pantry	Non-perishable food ingredients	Rice, flour, sugar, salt, spices, pasta, cooking oil
Dairy & Eggs	Dairy products and eggs	Milk, cheese, butter, cream, eggs
Beverages	Beverage ingredients and supplies	Soft drinks, juice, coffee, tea, bottled water, syrups
Bakery Supplies	Baking ingredients	Yeast, cocoa, baking powder, chocolate, icing sugar
Condiments & Sauces	Sauces, seasonings, and flavorings	Soy sauce, vinegar, ketchup, mayonnaise, cooking sauces
Packaging Materials	Food packaging materials	Takeaway boxes, paper bags, cups, lids, napkins, straws
Cleaning Supplies	Cleaning and sanitation materials	Detergent, bleach, disinfectant, gloves, mops
Kitchen Supplies	Small kitchen utensils and supplies	Knives, ladles, chopping boards, food containers
Gas / LPG / BBQ Fuel	Emergency cooking fuel purchases	LPG refill, gas cylinder exchange
Ice Purchases	Ice for food preservation and beverages	Ice bags, block ice
Maintenance & Repairs	Minor emergency repairs	Plumbing fittings, electrical items, screws, light bulbs
Utilities & Miscellaneous	Minor operational requirements	Extension cords, batteries, emergency hardware
Other Approved Expenses	Exceptional operational expenses	Subject to Executive Director approval

5. Non-Allowable Expenses

Petty cash shall **not** be used for the following expenses, which must follow the normal procurement and payment process:

- Employee salaries, wages, allowances, or advances.
- Supplier invoices and trade account payments.
- Office supplies and stationery.
- Logistics and transportation expenses.
- Inventory purchases requiring a Purchase Order (PO).
- Capital expenditure and fixed asset acquisitions.
- Entertainment expenses unless specifically approved by Management.
- Personal purchases or personal reimbursements.
- Non-urgent and routine purchases that can reasonably be processed through standard procurement procedures.

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6. Supporting Documentation Requirements

All petty cash transactions and reimbursement requests must be supported by the following:

- Original tax invoice or official receipt.
- Evidence of approval from the authorized approver.
- Any unused balance or change returned.
- Relevant supporting documents where applicable.

Incomplete submissions may be rejected and returned for correction.

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7. Petty Cash Replenishment Process

The petty cash fund shall be replenished when approximately **75% of the fund has been utilized** or at **month-end**, whichever occurs first.

Replenishment Procedure

The Restaurant Manager shall:

1. Complete the **Petty Cash Replenishment Form**.
2. Assign a reference number using the following format:

    PCFYYYYMMDD_CSL
    Example: **PCF20260725_CSL**

3. Ensure all expenses are properly supported by complete documentation.
4. Obtain approval from the Executive Director.
5. Submit the approved replenishment request and supporting documents to:

    glory_accounts@glorygrouppng.com

    using the following email subject format:

    PR_CSL_Petty Cash_PCF20260725

Verification and Reimbursement

Upon receipt, the Accounts and Finance Department shall:

- Verify supporting documents and receipts.
- Review compliance with this Policy.
- Validate calculations and reconciliations.
- Process approved reimbursements in accordance with the standard payment schedule and prescribed cut-off times.

8. Policy Violations

Failure to comply with this Policy may result in one or more of the following actions:

- Rejection of reimbursement claims.
- Recovery of unauthorized expenditures.
- Suspension of petty cash privileges.
- Disciplinary action in accordance with Company policies.
- Termination of employment for serious misconduct.
- Legal action where fraud, theft, or misappropriation of funds is involved.

9. Policy Review

This Policy shall be reviewed periodically by the Finance Department and Management to ensure its continued effectiveness, compliance with internal control requirements, and alignment with operational needs.