



## 1.0 PURPOSE

This policy provides guidelines for the use and management of petty cash.

## 2.0 SCOPE

This policy applies to all Brink's, Inc. (Brink's) Corporate, regional, and country level business units.

## 3.0 RESPONSIBILITY

Overall responsibility for the policy lies with the BCO Controller. Continued compliance, successful implementation, and maintenance of financial records is the responsibility of business unit management. Corporate and Regional management are responsible for on-going monitoring of compliance with the policy.

## 4.0 POLICY

It is Brink's policy for individual business unit financial management to manage and authorize petty cash transactions on an imprest basis primarily for minor expenses.

### 4.1 Objectives

Transactions recorded in the general ledger must be properly measured based on the underlying event in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP). All transactions occurring during the reporting period and current balances must be completely reflected in the general ledger. Only assets and liabilities for which Brink's has the rights of ownership or responsibility for should be recorded in the general ledger. Transactions should be recorded only when they exist as supported by an underlying event. All amounts should be classified and disclosed to allow for accurate presentation of financial information. Management should ensure that all transactions and adjustments are appropriately authorized for recording to the general ledger.

## 5.0 PROCEDURE

The intent of this policy is to provide general guidelines to assist business units to ensure sound business practices are followed embodying the principles of sufficient internal controls. These procedures are not intended to address detailed, specific control activities applied by business units.

### 5.1 Petty Cash

Individual business units may maintain petty cash funds for minor expenses. Petty cash funds should be maintained on an imprest basis. This means that each time



petty cash is used, it must be documented/supported with receipts. Periodically (such as on a monthly basis), the total amount spent is replenished. The amount spent is then recorded in the general ledger based on the nature of the expense. This ensures that, at any given time, the petty cash on-hand plus the receipts/documentation is equal to the petty cash amount recorded in the general ledger for a particular location.

Customer payments must not be used to replenish petty cash nor should customer cash be co-mingled with cash belonging to Brink's.

The amount of petty cash should be kept to a minimum based on local operational needs (*for instance, perhaps 30 days of petty cash requirements*). Petty cash must be afforded appropriate physical security. Responsibility for petty cash should be assigned to one primary employee for each fund.

## 5.2 Petty Cash Reimbursements

Reimbursements from petty cash should be authorized by an appropriate level of management and accompanied by receipts or other supporting documentation. Local Management should consider using petty cash vouchers to document approval and to record disbursement information. Petty cash transactions should be sent to the Accounts Payable function periodically (such as monthly) and provide sufficient information to allow for appropriate accounting. Accounting staff shall review all petty cash expenses for reasonableness and support.

Reimbursements from petty cash should not be made for employee loans or advances, taxes, labor, payroll, fixed assets, large office supplies, memberships, subscriptions, dues, payments for personal services, or to cash personal checks. In general, vendor invoices should be processed through the Accounts Payable function. However, based on immediate business needs, incidental, non-recurring invoices in small amounts (such as less than \$100) may be paid from petty cash. Use of petty cash to reimburse travel and entertainment advances and expenses should not be a general practice and should be limited to small amounts.

In general, employees responsible for maintaining petty cash funds should not also have responsibility for recording the related accounting transactions or authorizing payment.

## 5.3 Petty Cash Reviews

Finance Management, or a designated person, should coordinate surprise petty cash reviews at various locations at least quarterly. The sum of receipts/transactions for the period plus the cash on-hand should be equal to the petty cash balance recorded in the accounting records for the particular fund. Specific procedures and resulting documentation may be determined by Local or Regional Management.



#### **5.4 Reconciliation**

Petty cash accounts must be reconciled and reviewed by management as part of the accounting close process. To reduce the effort required during the period-end reconciliation process, a transaction log listing all transactions including date, vendor, amount, and purpose should be maintained by the primary employee(s) responsible for the petty cash fund. Additional information on account reconciliations is provided in the *Balance Sheet Account Reconciliation* policy.

#### **6.0 ADVICE AND COUNSEL**

Brink's Management includes accounting and finance professionals who are available to provide assistance and guidance to ensure compliance with this policy. Interpretation of guidance provided in this policy is the responsibility of the BCO Controller. Questions about this policy should first be directed to Regional Finance Management.

#### **7.0 RELEVANT PROFESSIONAL LITERATURE**

This policy is based on good business practice supported by a system of normal checks and balances and segregation of duties.

#### **8.0 DOCUMENTATION**

Documentation related to petty cash transactions and reviews must be maintained by business unit management.