

POSTING THE PETTY CASH VOUCHER

1. Beginning at the left, enter the Voucher Number, Date, Initials of the person preparing the voucher, the appropriate account number(s) and the amount of cash paid out. (See A of illustration 2)
2. Distribute the amount of cash paid out to the appropriate expense distribution column. (See B of illustration 2)
3. Adjust the Cash Balance column by deducting the amount of cash paid out in this entry from the previous Cash Balance. (See C of illustration 2)
4. In the Detail/Signature column enter the detail of the transaction. Any further explanation of the transaction should be entered in the Explanation section of the voucher. (See D of illustration 2)
5. Remove the voucher by tearing along the perforation and file the voucher.

VOUCHER NO.	DATE	INITIALS	DETAIL/SIGNATURE	EMPLOYEE ADVANCE		BALANCE FORWARD AMOUNT		CASH BALANCE	OFFICE SUPPLIES	ADVERTIS.	FREIGHT	PURCHASES	POSTAGE	TRAVEL EXPENSE	TELEPHONE	MISCELLANEOUS	
				DEBIT	CREDIT	ACCOUNT NO.	CASH PAID OUT									CASH RECEIVED	DETAIL
1201	4/20/51	A B	Supplies Into Desk			361	25.00	480 60	25 00								
EXPLANATION: Purchase Pens, Pencils and Scratch Pads for the office																	
<div style="display: flex; justify-content: space-between;"> <div style="border: 1px solid black; padding: 2px;">A. Enter all necessary information on the posting line</div> <div style="border: 1px solid black; padding: 2px;">D. Enter purpose of cash paid out</div> <div style="border: 1px solid black; padding: 2px;">C. Adjust the Cash Balance Column</div> <div style="border: 1px solid black; padding: 2px;">B. Distribute amount to the appropriate expense distribution column</div> </div>																	
1201																	
<small>THIS CASH BALANCE SHOULD BE TRANSFERRED TO THE SCREENED AREA AT THE TOP OF THE NEXT JOURNAL</small>																	
									361	426	401	423	411	437	418		
									5	6	7	8	9	10	11	12	13
PROVED AND CLOSED / / BY _____																	

ILLUSTRATION #2

RECORDING EMPLOYEE ADVANCES:

1. Enter the employee's name and number at the top of the ledger card. (See A of illustration 3)
2. Slide the ledger card under the vouchers until it rests against the pegs. The top voucher, the first available line on the ledger and the first available line on the journal should all align.
3. On the top voucher, enter the voucher number, today's date and the initials of the person preparing the voucher. (See B of illustration 3)
4. Enter the amount of cash advanced in both the "Employee Advance-Debit (Out)" column and the "Cash Paid Out" column. (See C of illustration 3)
5. Distribute the Cash Paid Out amount to the appropriate expense distribution column. (See D of illustration 3)

6. The person receiving the cash advance should sign their name in the Detail/Signature column. (See E of illustration 3)

REMOVE THE LEDGER CARD

7. On the ledger card determine the Ledger Balance by adding the cash paid out amount to any previous balance. (See F of illustration 3)

NOTE: If cash is reimbursed to the fund the balance column will be reduced by this amount.

8. On the journal, adjust the Cash Balance by deducting the amount of cash paid out from the previous Cash Balance.
9. Remove the voucher at the perforation and file.

EMPLOYEE *Joe Brown* **NUMBER** *437*

A. Enter Employee's Name and Number

VOUCHER NO.	DATE	INITIALS	DETAIL/SIGNATURE	EMPLOYEE ACCOUNT DEBIT (OUT)	CREDIT (IN)	LEADER BALANCE (DEBIT)	OFFICE SUPPLIES	ADVERTISE	FREIGHT	PURCHASES	POSTAGE	TRAVEL EXPENSE	TELEPHONE	MISCELLANEOUS (DETAIL/ACCOUNT NO.)	AMOUNT
TOTALS BROUGHT FORWARD						10.00	25.00								
1202	4/22/51	A. B.	Travel Joe Brown	95.00	437 95.00	105.00						95.00			
1202															
EXPLANATION															

B. Enter Voucher Number, Date and Preparer's Initials

C. Enter Cash Paid Out Amount

E. Obtain signature of person receiving the cash advance

F. Away from the pegboard, determine the Ledger Balance

D. Distribute amount to the appropriate expense distribution column

PROVED AND CLOSED / / BY

VOUCHER SYSTEM FROM THRU

ILLUSTRATION #3

ENTRIES AFTER ADVANCE EXPENSES ARE KNOWN

1. If using ledgers with the system, insert the appropriate ledger and align it as described in Recording Employee Advances step 2. On the top voucher, enter the voucher number, today's date, the initials of the person preparing the voucher, the signature of the employee who received the advance, and the appropriate account number (if any).

ENTRY IF EXPENSES EQUAL ADVANCE

2. If the total amount of expenses incurred equals the exact amount of the cash advance (advance - expenses = zero), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in the expense distribution columns (columns 6-14). To make this entry, total expenses must equal the cash advance.

ENTRY IF EXPENSES WERE LESS THAN ADVANCES

3. If the total amount of expenses incurred were less than the cash advance made, and the employee reimburses the fund for the difference (cash advanced - expenses = difference), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in columns 6-14. The difference in amounts between the cash advance and the expenses is the sum of money the employee is returning to the petty cash fund. This difference is the amount entered in the "Cash Reimbursed" column.

ENTRY IF EXPENSES WERE GREATER THAT ADVANCES

4. If the total amount of expenses incurred were greater than the cash advance made, and the petty cash fund pays the employee the difference (cash advance - expenses = difference), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in columns 6-14. The difference in amounts between the expenses and the advance is the amount of money to be given to the employee by the petty cash fund. The amount owed (and paid) to the employee is entered in the "Cash Paid Out" column (expenses - cash advance = amount owed employee).

ENTRY FOR DEPOSITING CASH INTO THE PETTY CASH FUND

1. Enter the voucher number, today's date, the initials of the person preparing the voucher, and the signature of the person making the deposit, in the appropriate spaces.
2. In the "Cash Reimbursed" column 4, enter the amount of the cash being added to the petty cash fund, and also enter this amount into column 14 or other appropriately titled column.
3. Remove the voucher by tearing along the perforations at the left edge, and file the voucher.
4. In the "Cash Balance" column 5, add the amount of the cash deposit to the previous Cash Balance. This amount is the new total of the petty cash fund and is entered in the "Cash Balance" column as the current Cash Balance.