

Month

BANK RECORD

WORKED EXAMPLE & Guide Notes

PETTY CASH

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Balance in Bank at start of Month		£	1,505	64		
This "start of Month" figure is 0 if this is your first month of trading. Otherwise it is the previous month's "Balance at end of Month".						
BANKINGS (& Direct Credits)		Non-Sales		Sales		
Date	Details	Ref	£	p	£	p
4	Feb Cheques	136			220	48
8	From Personal a/c	D/C	1,000	00		
11	ABC Co	D/C			1,382	50
19	B.I.G. Buyers & Co	D/C			1,955	25
26	A.N. Other Co	D/C			126	50
30	Brown & Son (Invs 028/031)	137			316	00
31	Card Sales (total)	D/C			986	60
Total			1,000	00	4,987	33
Total Bankings (ie Total Non-Sales + Sales)					5,987	33

DIRECT DEBITS (& Standing Orders)		Ref			
Date	Details		£	p	
26	Bank Charges	D/D	65	00	
	Bank Interest				
01	Card Charges	D/D	145	00	
	Other Finance Charges				
Total Debits			260	00	

MONTH'S BANK BALANCE			
Balance at start of Month + Total Bankings – Total Debits	7,232	97	
Less Total Payments (from overpage)	6,841	52	
Leaves: Balance at end of Month (carry forward to next month)	391	45	
The "Balance at end of Month" (below) and your business Bank Statement balance should be the same if your entries in the BANK RECORD and PAYMENTS columns are as they appear in your Bank Statement. If you don't have a business bank account, the figures may not balance.			
BANK STATEMENT CHECK			
Balance as per Bank Statement	391	45	
Add any banking errors			
Less any payments errors			
Leaves: Balance	391	45	

Money in Petty Cash at start of Month		£	87	p	34
This "start of Month" figure is 0 if this is your first month of trading. Otherwise it is the previous month's "Money in Petty Cash at end of Month".					
MONEY INTRODUCED DURING MONTH		Ref			
Date	Source of Money		£	p	
12	From Business Bank a/c - by card		50	00	
Total			50	00	
PAYMENTS BY PETTY CASH		Allowable Expenses			
Stock or Raw Materials		Generally, costs you pay with the sole purpose of earning business profits are allowable expenses. Hence non-business or personal costs are not usually tax deductible.			
Employee Costs		"Employee Costs" is where you record staff wages (or Directors' salaries) paid in cash. Ideally, use one line for each person.			
Premises Costs		Business Rent/Rates Cleaning Electric/Gas/Heat/Water			
Repairs		Repairs/Maintenance			
General Admin. Expenses		Postage/Parcels Stationery/Printing Sundries Telephone/Fax/Mobile		12	48
Motor Expenses		Fuel Other Expenses		29	99
Travel & Subsistence					
Ads & Promotion		It's unlikely you would pay cash for solicitor's or accountant's fees, but there might be a sundry expense.			
Legal & Professional					
Other Expenses		"Other Expenses". Avoid overuse of this category and explain any payment you record here.		6	75
Drawings		"Drawings" is where you record wages you take from petty cash as a sole trader or partner.		2	56
Total Payments by Petty Cash			125	78	

MONTH'S PETTY CASH BALANCE			
Petty Cash at start of Month + Money Introduced	137	34	
Less Total Payments by Petty Cash (from above)	125	78	
Less any surplus Cash paid into Bank			
Leaves: Money in Petty Cash at end of Month	11	56	