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## CASH HANDLING AND BANKING POLICY AND PROCEDURES

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### Purpose

The purpose of this Cash Handling and Banking Policy is to establish clear guidelines and procedures for the secure handling, processing, and banking of cash at Trendie. This policy ensures the integrity of financial transactions, reduces the risk of theft or fraud, and maintains compliance with relevant Australian laws and regulations, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* and the *Australian Consumer Law* (Schedule 2 of the *Competition and Consumer Act 2010*).

### Scope

This policy applies to all Trendie employees involved in cash handling, including receiving, counting, recording, storing, and depositing cash. It governs procedures for handling all forms of cash transactions, including but not limited to cash sales, petty cash, refunds, and banking activities.

### Policy Principles

- **Security of Cash:**

All employees must ensure the secure handling of cash at all times. Cash must be stored in a secure location, such as a locked safe or cash drawer, and access to cash must be restricted to authorised personnel only.

- **Accountability:**

Every employee involved in cash handling is accountable for ensuring accurate recording of all cash transactions. Discrepancies must be reported and rectified immediately to maintain the integrity of financial records.

- **Compliance with Regulations:**

Employees must adhere to all relevant Australian laws and regulations regarding cash handling and banking. This includes compliance with *Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Act 2006*, and ensuring all transactions meet the required reporting obligations for large cash transactions.



- **Segregation of Duties:**

Duties related to cash handling should be segregated where possible to reduce the risk of fraud or error. Employees responsible for receiving payments should not be the same individuals responsible for banking or financial reconciliations.

- **Confidentiality:**

Employees must treat all financial data as confidential, ensuring that details of cash transactions, banking records, and other sensitive financial information are not disclosed to unauthorised personnel.

- **Professionalism:**

Employees handling cash should maintain professionalism and integrity, ensuring that all cash transactions are completed accurately and promptly, and that any issues are escalated to management without delay.

## Responsibilities

- **Employees:**

All employees involved in cash handling must adhere to this policy and follow the outlined procedures. They are responsible for ensuring accurate cash transactions, safeguarding cash, and reporting any issues or discrepancies immediately.

- **Managers:**

Managers are responsible for overseeing the cash-handling processes within their teams. They must ensure that employees are trained in secure cash handling procedures and that appropriate checks are in place to minimise risk.

- **Finance Department:**

The finance department is responsible for reviewing and reconciling cash transactions and ensuring compliance with relevant financial regulations. They are tasked with conducting regular audits to identify and address discrepancies in cash handling practices.



## Compliance and Enforcement

Trendie is committed to ensuring that all cash handling procedures comply with Australian legislation, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* and *Australian Consumer Law*. Non-compliance with this policy or its procedures may result in disciplinary action, up to and including termination of employment, in accordance with company disciplinary policies.

## Procedures for Cash Handling and Banking

- **Receiving Payments:**
  - All payments received in cash must be immediately recorded in the cash register or point-of-sale (POS) system.
  - The cashier or responsible employee must issue a receipt for every cash transaction.
  - At the end of each shift, the employee must reconcile the cash drawer, ensuring that the recorded cash total matches the actual cash on hand. Any discrepancies must be reported to the supervisor immediately.
- **Cash Storage:**
  - Cash not required for immediate transactions must be stored in a secure cash drawer or safe.
  - Only authorised personnel are permitted to access the safe or cash storage areas.
  - The cash storage areas must be locked at all times when not in use.
- **Cash Counting and Reconciliation:**
  - Cash should be counted in a secure area away from public view.
  - A second person should verify large cash counts, where possible, to ensure accuracy.
  - At the end of each business day, cash must be reconciled with the day's transactions and any discrepancies must be documented and reported immediately to management.



- The daily cash reconciliation must be reviewed and signed off by the store manager or designated employee.
- **Banking Procedures:**
  - Cash deposits must be made daily or as per company banking schedules to ensure that excess cash is not stored on the premises overnight.
  - Deposits must be prepared by two employees, where possible, to minimise the risk of error or fraud.
  - A bank deposit slip must be prepared, detailing the total amount being deposited and matching the day's cash reconciliation records.
  - Deposits must be transported to the bank using secure methods, and the banking process should be completed by authorised personnel only.
- **Petty Cash**
  - Petty cash transactions should only be used for minor expenses, and must be accompanied by a receipt for each transaction.
  - Petty cash must be reconciled at the end of each day or as per company guidelines, with all receipts and remaining cash verified.
  - The petty cash fund must be reviewed regularly by management to ensure compliance with this policy.
- **Handling Cash Discrepancies**
  - Any cash discrepancies identified during reconciliation must be reported immediately to the manager.
  - An investigation should be conducted to determine the cause of the discrepancy, and corrective actions must be taken to prevent future occurrences.
  - Significant discrepancies may warrant further investigation, and if deemed necessary, external auditors or law enforcement may be involved.



## • **Monitoring and Auditing**

- Regular internal audits will be conducted by the finance department to ensure adherence to the cash handling and banking procedures.
- Managers are responsible for conducting spot checks of cash drawers, reconciliation records, and petty cash funds.
- Any findings of non-compliance during audits must be addressed promptly with corrective actions.

## **Legislative Compliance**

This policy adheres to the following key Australian legislative requirements:

- *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
- *Competition and Consumer Act 2010 (including the Australian Consumer Law)*
- *Privacy Act 1988*
- *Corporations Act 2001*

## **Review and Updates**

This Cash Handling and Banking Policy will be reviewed annually or as necessary to ensure it remains effective, comprehensive, and compliant with current Australian laws and regulations. Any updates or changes to this policy will be communicated to all relevant employees and incorporated into training programs.

## **Training and Implementation**

All employees involved in cash handling will receive mandatory training on this policy during their induction. Refresher training will be provided annually, and all employees will have access to this policy via the company intranet. Managers are responsible for ensuring that their teams comply with this policy and that appropriate measures are in place to secure cash-handling activities at all times.

By adhering to this policy, employees ensure the safe and secure management of cash at Trendie, thereby maintaining the financial integrity of the organisation and its compliance with Australian legislation.