Accounting for PCF

1. Initial funding of PCF is done by a Permanent Prepayment Invoice payable to the PCF Custodian as the “Supplier” recorded against

|  |  |
| --- | --- |
| Debit GL Account: | 16105 - Petty Cash Fund\_PCF |
| Credit GL Account | 11005 - Cash |
| Operating Unit: | CO’s operating unit |
| Fund Code: | **00001 for GL acct 16105 always** |
| Department: | Respective department |
| Supplier | PCF Custodian’s Staff/Supplier ID |

1. Subsequent replenishment is done by Payment Voucher payable to the PCF Custodian.

|  |  |
| --- | --- |
| Debit GL Account: | 7XXXX – relevant expense accounts |
| Credit GL Account: | 16105 – Petty Cash Fund\_PCF |
| Operating Unit: | CO’s operating unit |
| Fund Code: | **00001 for GL acct 16105 always** |
| Department: | Respective department |
| Supplier: | PCF Custodian’s Staff/Supplier ID |

1. **Credit Memo** for year-end deposit of PCF cash balance into CO’s bank account:

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| --- | --- |
| Debit GL Account: | 11005 - Cash |
| Credit GL Account: | 16105 – Petty Cash Fund\_PCF |
| Operating Unit: | CO’s operating unit |
| Fund Code: | **00001 for GL acct 16105 always** |
| Department: | Respective department |
| Supplier: | PCF Custodian’s Staff/Supplier ID |

Caution: All transactions in PCF (Prepayments, Payment Vouchers, and Credit Memos) must be recorded in the currency code in Quantum that matches the actual currency in which the PCF is held. Using incorrect currency code in Quantum will lead to inaccurate valuation of the PCF in the financial statements.

Caution: COs must never use any GLJEs to record PCF transactions and should never record any FX gain/loss. HQ runs the revaluation process to recognize the FX gain/loss in conjunction with the preparation of the annual financial statements.