

Standard Operating Procedure (SOP)

Daily Cash Reconciliation and Banking Procedures

1. Purpose

This SOP outlines the **daily cash reconciliation and banking procedures**, including daily cash counting and balancing, verification of cash receipts against sales records, preparation of cash deposit slips, secure handling and transportation of cash, timely bank deposits, documentation and record-keeping of cash transactions, and procedures for addressing discrepancies. The purpose is to ensure accurate cash management, prevent errors and fraud, and maintain accountability in financial operations.

2. Scope

This procedure applies to all employees involved in cash handling, reconciliation, and banking activities at [Company/Organization Name].

3. Responsibilities

- **Cashier:** Responsible for counting, recording, and handing over cash.
- **Supervisor:** Verifies reconciliation, reviews supporting documents, and approves deposit slips.
- **Accounting/Finance Department:** Records transactions in the accounting system and files documentation.
- **Designated Staff:** Transports and deposits cash at the bank safely.

4. Procedure

1. **Daily Cash Counting and Balancing**
 - At the end of each business day, the cashier counts all cash in the register or safe.
 - Fill out the Daily Cash Count Sheet (see section 6).
 - Both the cashier and supervisor must verify and sign the count.
2. **Verification of Cash Receipts**
 - Compare total cash receipts with sales records or till reports.
 - Identify and note any variances or discrepancies.
3. **Preparation of Cash Deposit Slip**
 - Prepare a bank deposit slip, listing all denominations and totals.
 - Attach supporting documentation, including the Cash Count Sheet and sales report.
4. **Secure Handling and Transportation of Cash**
 - Store cash in a secure, locked location until transport.
 - Only authorized personnel handle and transport cash to the bank.
 - Use secure containers/bags and avoid unnecessary stops en route.
5. **Timely Bank Deposits**
 - Deposit cash at the designated bank before the close of banking hours on the next business day.
 - Obtain a bank-validated deposit receipt.
6. **Documentation and Record-Keeping**
 - File all cash count sheets, deposit slips, bank receipts, and reconciliation forms daily.
 - Record transaction details in the accounting or POS system.
7. **Addressing Discrepancies**
 - Report discrepancies immediately to the supervisor and accounting department.
 - Investigate and document the cause of any cash variance.
 - Take corrective action as per company policy.

5. Records and Documentation

- Daily Cash Count Sheet
- End-of-day Sales Reports
- Bank Deposit Slips & Receipts
- Transaction Records (POS/Accounting System)
- Discrepancy Reports (if any)

6. Example: Daily Cash Count Sheet (Template)

Date	Cashier Name	Supervisor Name	Denomination	Quantity	Total
[dd/mm/yyyy]	[Cashier]	[Supervisor]	â,±1000	[Qty]	[Amount]
			â,±500	[Qty]	[Amount]
			â,±200	[Qty]	[Amount]
			â,±100	[Qty]	[Amount]
			Coins	[Qty]	[Amount]
			Total Cash		

Signatures: _____ (Cashier) _____ (Supervisor)

7. Review and Revision

This SOP shall be reviewed annually or as needed to ensure continued accuracy and compliance. All revisions must be documented and communicated to relevant personnel.