



Policy: Purchase Policy

Version	1
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Purpose

To provide clear guidelines for team purchases at Dragonfly Dance, whether made using company funds, through reimbursement, or via the petty cash tin. This policy ensures responsible financial management, accountability, and efficient record-keeping.

Scope

This policy applies to all Dragonfly Dance team members at Dragonfly Dance. It governs all purchasing activity conducted on behalf of the studio, including purchases made with company funds, reimbursement of person out-of-pocket expenses, and use of the petty cash tin.

Definitions

Direct purchase	A purchase made using Dragonfly Dance funds (eg company card, invoice billing, or account purchase)
Reimbursement	Repayment to a team member who has paid for an approved business expense using personal funds
Petty cash	A small pool of funds stores in the studio's cash tin, intended for incidental low-cost studio expenses (typically under \$50)
Cash Tin	A secure container kept onsite that holds cash for two purposes (1) to manage petty cash purchases for studio needs, and (2) to store cash payments received from clients (although these are discouraged and accepted only when necessary).
Pre-approval	Written permission from the Studio Owner via email, before any purchase is made or funds are committed on half of the business
Receipt	An itemised, dated document showing proof of purchase, total cost and GST, required for all reimbursements and accounting purposes.
Authorised purchaser	A team member who has been formally delegated purchasing authority by the Studio Owner for specific purchases or categories. Delegation must be documented in writing and may be revoked at any time.

Responsibilities

Team members

- Request pre-approval before making any purchases
- Retain and submit itemised receipts
- Follow the specific process for direct purchases, reimbursement, or petty cash use
- Submit reimbursement requests within 30 days of purchase

Studio owner

- Review and approve all purchase requests in advance.
- Provide written confirmation to proceed with purchases.
- Maintain oversight of spending in line with studio budget and priorities.
- Delegate purchasing authority as appropriate and keep records of authorised purchasers.

Bookkeeper

- Process approved reimbursements and direct purchases.
- Record all transactions in Xero and attach supporting receipts.
- Reconcile financial records related to the cash tin monthly based on reports and logs provided by on-site staff.
- Process top-ups or adjustments to petty cash based on reconciliation reports.

Onsite Admin Team

- Maintain and monitor the physical cash tin.
- Record all petty cash transactions and attach receipts to the Petty Cash Log Sheet.
- Perform the monthly physical cash reconciliation.
- Notify the Bookkeeper and Studio Owner when a top-up is needed.

Delegations of authority

At present, all purchasing decisions and financial approvals are retained by the Studio Owner unless otherwise specified below.

Reception team – standing delegation

Receptionists are authorised to make low-value, routine operational purchases on behalf of Dragonfly Dance under the following conditions:

- No prior approval required for essential, recurring items such as:
 - Milk for studio use
 - Printer ink and paper
 - Welcome pack envelopes
 - Toilet paper, disinfectant, and cleaning supplies
- Purchases must not exceed \$150 per transaction.

- All receipts must be emailed to accounts@dragonflydance.com.au and cc'd to jo@dragonflydance.com.au within 7 days of purchase.
- A shared tracking sheet must be maintained to record all such purchases, including date, item, cost, and purpose.
- Any non-routine or higher-value items require pre-approval from the Studio Owner.

The Studio Owner reserves the right to review and revise this delegation at any time.

Policy details

1. Direct purchases using company funds

Policy guidelines

- All direct purchases must be pre-approved by the Studio Owner.
- Only authorised team members may use the company credit card, use supplier accounts, or arrange invoice purchases.
- An itemised receipt or invoice must be submitted within 7 days of purchase.
- Purchases must fall within approved expense categories and studio budget.
- Misuse of company funds may result in disciplinary action.
- The Studio Owner may delegate purchasing authority to team members in writing. This must include clear parameters regarding what the team member is authorised to purchase.

Procedure

- Ensure you have the information you need to fill in a purchase order request, including:
 - Description of the item
 - Estimated cost
 - Justification
 - Supplier details
 - Anticipated payment method (credit card, supplier account, invoice)
- Request pre-approval by completing the online **Purchase Order Request** form available on the Team Hub webpage (www.dragonflydance.com.au/team-hub)
- Wait for written approval before purchasing.
- Make the purchase using approved payment method
- Email receipt or invoice to accounts@dragonflydance.com.au and cc jo@dragonflydance.com.au.
- Bookkeeper to record, file documentation in Xero, and make payments.

2. Team reimbursements

Policy guidelines

- Purchases must be pre-approved by the Studio Owner.
- Reimbursement is not guaranteed for unauthorised purchases.

- Receipts must be submitted within 30 days.
- Only expenses within approved categories are eligible.

Procedure

Please refer to the full Purchase Procedure

- Request pre-approval using the **Purchase Order Request** form at www.dragonflydance.com.au/team-hub
- If approved, make the purchase using personal funds.
- Take a photo of the itemised receipt and highlight the date, item, and total.
- Reply to the original approval email and send to accounts@dragonflydance.com.au, cc jo@dragonflydance.com.au, including:
 - Photo of receipt
 - Your BSB, Account Number, and Account Name
- Bookkeeper to:
 - Verify alignment with approval
 - Process EFT reimbursement
 - Confirm with team member via email
 - Attach receipt and record in Xero

3. Petty cash and cash tin use

Policy guidelines

- Intended for small purchases (typically under \$50).
- Only authorised team members may access the tin.
- All use must be recorded in the Petty Cash Log Sheet.
- Receipts must be attached for every transaction.
- The tin is reconciled monthly by on-site staff and reviewed by the Bookkeeper.
- Cash payments from clients may be accepted in the tin only when necessary.

Procedure

- Use cash only for necessary, low-value items.
- Record each transaction in the Petty Cash Log Sheet:
 - Date, amount, description, and initials
 - Staple or tape the receipt to the log
- On-site admin team to:
 - Perform monthly cash count and reconciliation
 - Submit reconciliation report to the Bookkeeper
 - Notify Bookkeeper and Studio Owner if a top-up is required (typically when below \$50)
- Bookkeeper to:
 - Review reconciliation report
 - Arrange for replenishment as needed

Review, Amendments, and Related Policies

Review Process

This policy will be reviewed annually to ensure it aligns with best practices and the financial needs of Dragonfly Dance.

Amendments

Any updates to this policy may be made by studio management. Team members will be notified of any significant changes.