

Cash Handling Simplified



It's time to modernize your Cash Supply Chain



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1 Making the Case for Change

Cash purchases under \$25 total over \$100 billion each year.

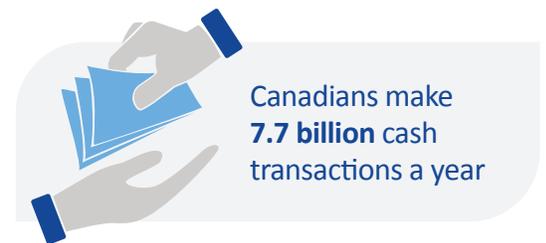
Today, more than [72 million](#) Visa and MasterCard credit cards have been issued to Canadian consumers and new technologies are further expanding payment options. While payment innovations, including tap and mobile, are changing the way cash is used and how customers expect to do business with retailers, cash remains the payment option of choice for many consumer transactions.

Outdated cash management procedures can lead to increased theft and fraud.

Bank of Canada statistics show that when customers make purchases [under \\$25](#), cash remains the currency of choice, with the total value of cash transactions reaching approximately [\\$100 billion](#).

Despite advances in payment technology, retailers' approach to dealing with cash has remained virtually unchanged over the past decades, more often than not viewed as a necessary evil by business owners.

Since performing daily cash responsibilities often fall to the owner or senior staff member, they're pulled away from other business responsibilities that could help foster growth including serving customers, building the business or coaching staff.

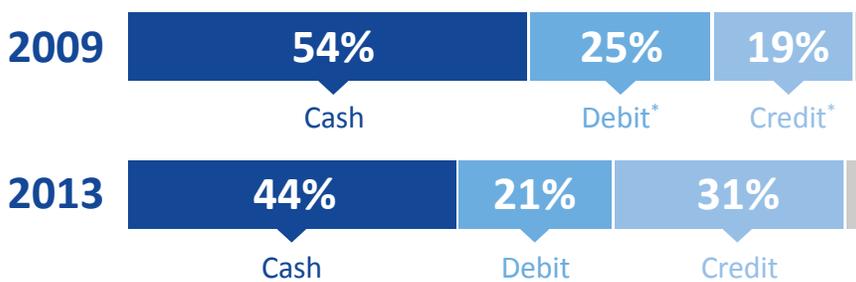


There's no doubt about it, outdated cash management processes take time, including:

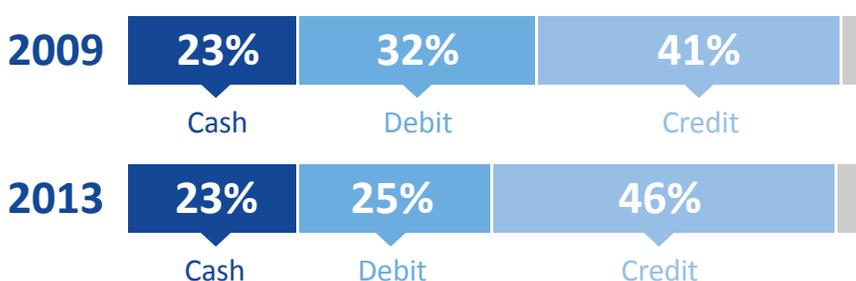
- Store cash balance;
- Preparing and validating floats;
- Periodic skims;
- Shift changes;
- Making change for floats;
- Performing reconciliations;
- Deposit preparation;
- Getting change from the bank;
- Making bank deposits; and
- Tracking and dealing with discrepancies (audit and loss prevention).

By its very nature, dealing with cash using outdated cash management procedures can increase theft and fraud, and present safety threats for employees, but traditional cash management procedures don't have to remain stuck in the past. All businesses, regardless of size, can benefit from advances in cash handling technology and process management improvements.

Composition of Payments: 2009 vs. 2013 (By Volume)



Composition of Payments: 2009 vs. 2013 (By Value)



* Debit and Credit include Contactless

Other could include store-value cards and cheques



2 Status Quo No More

Paperwork errors caused 19.9% of shrinkage.

Convenience store and petroleum industry experts say retailers consider handling cash the [number one issue](#) facing their business.

Businesses aren't stuck in the past where technology or products are concerned, so why haven't they transformed their cash supply chain?

Cash supply chain management is, in its most basic form, the way a business handles cash from the moment a till is prepared to the time it is deposited in the bank. Best in class cash supply chain processes streamline every step to reduce time, increase safety and security, boost

productivity and maximize cash flow.

A report in Inc. Magazine referred to [managing cash flow](#) as a business manager's "most important job." Reuters adds that "poor cash management is the [main reason for business failure](#)."

There's no better time to refresh outdated procedures with the wide range of new technologies, services and solutions available to reduce the time required for managing cash transactions, while increasing the safety and security of accepting and transporting cash.

Typical Steps in the Traditional Cash Supply Chain

	Traditional Approach	Inefficiency/Risks
Manual Cash Counting and Reconciliation	Senior staff manually count and reconcile all cash.	Time away from customers Human Error Theft Efficiency drops Poor use of senior staff time
Balancing Floats	Staff and managers balance floats before and after each shift.	Shrinkage Time spent counting tills Human error Duplication of effort
Tracking Discrepancies (Audit and Loss Prevention)	Manually searching deposit logs, compiling records and engaging staff after the fact.	Time and effort spent on non-value add activities
Banking	Manual deposit preparation, and staff are required to physically take deposits to the bank or travel to the bank to pick up coin orders.	Up to two staff members are removed from the business for each deposit Safety and security concerns Theft risks Cost of deposit bags
Reporting	Retailers with multiple locations may rely on manual reports, and may be using different bank accounts.	Manual processes take time High risk of error Lack of visibility No real-time information about available cash levels Lack of consolidation may result in higher banking fees



3 Who Needs a “Best in Class” Cash Supply Chain?

Each staff member becomes responsible and accountable for the money in their till.

Clearly, Canadian businesses need to focus on their cash handling procedures, but who really needs to review their cash management processes? Quite simply: Anyone.

New technologies and services can not only improve productivity but can also help to stem the tide of theft and fraud.

Many business owners are so focused on their day-to-day operations that they don't have or take the time re-evaluate their approach to cash management. With a customized solution that leverages best-in-breed technologies, it's worth the effort:

- **Time:** Less time is spent managing cash and making trips to the bank to make deposits or get coin.
- **Costs:** The potential for reduced bank fees with deposit consolidation.
- **Errors:** Technology can automate counting, sorting and reporting to eliminate human error, and reduce cash management inaccuracies.
- **Visibility:** Software can give retailers real-time access to accurate information about cash balances and deposits, as well as transparent deposit records detailing precisely where all cash originated.
- **Accountability:** Each staff member becomes responsible and accountable for the money in their till at the start, and end of a shift, since they now have complete control (and responsibility for) their till at every step.
- **Simplification:** From streamlined audit trails to more accurate reporting, automated services make cash handling easier for staff and managers.
- **Shrinkage:** Cash is secured at every step, deterring theft and reducing access to the money.



Since 2008, internal theft has grown from 19% to over 33%



4 Innovating the Future of Cash Handling

Successful retailers are taking control of inefficiencies in their cash supply chain by tapping into the products and services available to retailers of all sizes. By leveraging a more modern approach to cash management, businesses can recapture valuable time that they had been allocating to money management.

Armoured car – single source solution

The value of bank notes in circulation has risen 5% annually since 2000.

Armoured car service has been changing since the first services were offered almost a century ago. The industry has kept pace with changing customer needs to offer innovative solutions.

Armoured car service providers arrange for the transportation of cash from the retail location to a designated bank or processing centre on a customized pick up schedule that aligns with the specific needs of each business.

*“Cash’s resilience and safety will also become more prevalent as security threats continue to barrage online and mobile systems.”
Jenny Campbell, CEO, YourCash Europe*

In addition, Deposit Processing services will securely count and sort cash, coins and cheques to prepare all deposits in the proper Bank of Canada and Royal Canadian Mint formats. Account Direct is a supplementary service option that automatically deposits funds into a retailer’s bank account, and provides electronic reporting to support reconciliation.

Benefits

Safety & Security

There’s not a more secure method for transporting cash. Armoured car services assume responsibility for all cash that enters its system. Should the retailer’s cash be lost or stolen while in-transit, the retailer would receive full credit for its deposit.

Armoured car companies are experts in their field: Contrast the ability of a fully-loaded, armoured vehicle to successfully transport a cash deposit, against the image of a store manager traveling in a private vehicle, often after hours, to a local bank branch.

In addition, using armoured car services helps a company comply with federal and provincial workplace health and safety legislations, including [Bill C-45](#).

Increased productivity

No longer will a store manager or employee have to take time away from the business to travel to the local bank branch to make a deposit. Deposit processing saves retailers the time they previously had to spend counting cash, tracking discrepancies, and reducing shrinkage.

Recordkeeping

Armoured car personnel scan deposit bags and sign receipt books providing a detailed audit trail to enhance record-keeping.

Peace of mind

Retailers work hard for every dollar they collect so knowing that money is in the hands of a highly qualified, trained and experienced supplier can provide peace of mind.

Retailers have assurances that their entire cash management process from pick up to deposit processing to deposit settlement is secure.

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**Shrinkage costs
\$4 billion annually.**

Smart Safes

Smart safes have transformed cash management for many Canadian retailers by providing them with a safe with a range of integrated technology and automation. Employees “feed” cash (and some even accept coin) into an electronic safe during the course of the day, eliminating manual counting, verification and reconciliation. Human error is virtually eliminated.

In some ways, the smart safe acts as a mini-bank depository. Throughout the day, employees can deposit excess cash from their registers into the smart safe which will count and automatically authenticate all the bills. The technology will keep track and balance the deposits. An online dashboard gives managers real-time deposit information, which they can view in a range of customizable formats including reports by employee, supervisor, shift, day, week and more. And, instant access to deposit information makes cash management much simpler.

Select smart safes can automate counting and supplying of day-open till amounts, eliminating the need for manual counting and till verification at the start and end of each shift.

In addition, daily credit is a supplementary service on smart safes. Cash deposited throughout the day into the smart safe is automatically credited into the retailers bank account each business day, even when the armoured car service isn't providing a daily pick up.

Benefits

Improved use of staff time

The smart safe reduces the time needed to conduct cash depositing and end-of-day activities, and time off the floor when staff could be helping customers.

Reduced internal and external theft

Since cashiers have limited contact with back-office cash management (beyond feeding them into the safe) the risk of theft can be reduced. Sealing cash securely inside the safe significantly reduces the risk of robbery or other external security threats.

Cash flow improvements

For select smart safes, retailers can receive Daily Credit against all the deposits made into their smart safe, either the same day or next day, even when cash remains in the store. This allows a business to meet cash obligations, and ensures a steady cash flow.

Armoured car cost savings

Reduction in armoured car service costs by reducing service frequency to as little as once per week.

Consolidation

A business with multiple locations may benefit from better oversight, and increased options, such as having all deposits made into a single bank or bank account. Some retailers have reported reduced bank fees, reduced transportation costs and real-time visibility to cash balances, and access to higher-interest bearing accounts.



Cash Recyclers

Cash recyclers provide heightened security along with a few additional service benefits.

Where a smart safe provides retailers with a deposit-only features which eliminate internal and external theft risks, cash recyclers provide the same heightened security with a few additional service benefits.

A cash recycler allows retailers to deposit and recycle bills and coins. This allows employees

to create tills, make withdrawals and exchange bills for coin or smaller bills throughout the day, reducing the need for change orders.

At the end of a shift, a cashier's entire drawer is emptied into the recycler, where it is counted, authenticated and recorded.

Benefits

Smart safe benefits ... and more

Similar to a smart safe, cash recyclers reduce the staff time needed to count and reconcile cash, minimize internal and external theft risks, consolidate cash management activities, provides greater visibility and can (with select services) provide daily credit.

Change Fund made easy

Reduce the need for change fund orders. The recycler allows retailers to reuse cash previously deposited into the recycler so they don't have to make change orders as often.

Safeguard high-value currency

Locking down larger bills and providing real-time exchange of larger bills for smaller denominations boosts security at the register while keeping necessary cash on hand to make change.

Automated recycling of cash and coin

Greatly reduces time spent manually recycling cash and coin, reducing store float requirements and can lower the value of floats, for greater security.

Change Fund Service

The value of bank notes in circulation has risen 5% annually since 2000.

Retailers need to make change for customers and travelling to the bank to get rolls of coin can be time consuming, costly and pose security risks. Armoured car service providers can save retailers time with Change Fund service. One call places an order for a float and coins and it's delivered right to the retailer's location.

With some Armoured car carriers, an order can be placed for less than a full box. Armoured car service providers can also provide till preparation so that managers don't have to spend time counting out cash and coin for each drawer.

Benefits

Improve safety and security

Liability risks are reduced since managers or employees don't have to travel to and from the bank to buy coin.

Better use of time

Eliminate travel and wait times for coin pickups. With till preparation service, getting cash drawers ready for each shift is faster and easier.

Flexibility

Phone system reduces lead time for coin orders. Standing orders and custom orders are available and can be adapted to retailer's specific coin or float needs. Moreover, less than full box of coin orders can help a retailers' cash flow.



Virtual Vaults

Bringing your cash supply closer to your location.

With a Virtual Vault, a retailer accesses an innovative service that brings their cash supply closer to their location, even in places where their preferred bank doesn't have a local branch. A retailer doesn't have to change banks or opt to use a different, local financial institution because the armoured car company maintains a supply of

a retailer's cash, accepts deposits, and provides notes and coin for change.

Benefits

Banking flexibility	Retailers are able to conduct business with their preferred banks without needing to ensure the bank has a local branch.
Expansion support	Retailer can add locations and have cash flow consolidated in a single financial institution regardless of the retail location.
Improve cash flow	The lead time from order to delivery of cash is reduced by moving the retailer's supply of cash closer to their location, which also helps to improve cash flow.
Managed risk	Let the Armoured Car company manage the responsibility and risk for you.

Outsourced Cash Management

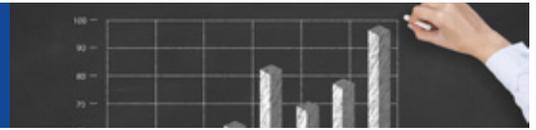
Simplify cash handling for cashiers and store managers.

Outsourcing a retailer's entire store-front technology and back-office cash management can simplify cash handling for cashiers and store managers. By understanding the entire in-store cash management processes and implementing the appropriate solutions,

a retailer may be able to eliminate or simplify cash handling steps to deliver a more efficient and effective process for staff and customers. This can also streamline cashier responsibilities, audits, investigation, deposit preparation and treasury management.

Benefits

Enhanced reporting capabilities	Advanced technology-based solutions offer better visibility to internal operations; cash picked up and delivered for processing, and deposited into their bank account.
Simplifying cash processes	Save time by eliminating start- and end-of shift process and skim procedures.
Reduce cash handling	Fewer cash touch-points and more accountability may mean less opportunity for shrink.



5 Make the Move to Improve Your Business

Give your business the edge by bringing a new approach to cash supply chain management.

As long as consumers continue to pay with cash, retailers need to find ways to more efficiently manage it... and get their cash working harder for them, not the other way around.

New approaches to cash management can alleviate retail owners' top concerns about [inefficient cash handling](#), shrinkage issues, and authenticating currency to reduce losses from

counterfeit bills, as well as reducing the significant time and costs associated with traditional, inefficient cash handling procedures.

Give your business the edge by bringing your approach to cash supply chain management into the 21st Century and leveraging the new services and technologies that are available to you.

To learn more about how Brink's Canada can help streamline your cash management processes to free up time, boost security and improve visibility, visit www.brinks.ca or call 1-800-570-2867.

Sources:

Canadian Bankers Association: Credit Cards: Statistics and Facts, July 30, 2015; **Bank of Canada:** The Use of Cash in Canada, February 2012; **Bank of Canada:** Why Is Cash (Still) So Entrenched? Insights From The Bank Of Canada's 2009 Methods Of Payment Survey, February 2012; **Bank of Canada:** The Changing Landscape For Retail Payments In Canada And The Implications For The Demand For Cash, Autumn 2012; **Convenience Store And Fuel News (Cspnet.Com):** CSP Exclusive Study: Hard To Handle; Effectively Controlling Cash A Top Concern For Retailers In Study, May 2014; **Retail Council of Canada:** Securing the Bottom Line – Canadian Retail Survey 2012, October 31, 2012; **Inc. Magazine:** Cash Management, N/A; **Reuters:** The Importance of Cash Management, April 2, 2009; PwC Canada/Retail Council of Canada: Stealing Retailer's Thunder: Pwc Estimates Canadian Retailers Are Losing Over \$10 Million A Day To Shrinkage, October 31, 2012; **PaymentEye:** 'Cash has too many benefits to disappear' – YourCash Europe CEO, Jenny Campbell, January 22, 2016; **Canadian Centre for Occupational Health and Safety:** Bill C-45 – Overview, January 16, 2014.



This is The New Brink's

Brink's can offer a better approach to help you manage your cash supply chain.

Technology has transformed how companies conduct business and has even changed the products they offer to customers, even in cash handling.

With flexibility at the core of retail strategies today, Brink's has evolved to help businesses address their unique challenges and goals. After all, time spent managing cash takes managers away from overseeing employees, the day-to-day operations, and serving customers.

Brink's can offer a better approach to help you refresh your approach to handling cash, and help develop a better way to manage your cash supply chain.

Using our consultative Brink's Discovery Process, we take steps to understand your specific business challenges, optimize your processes and utilize our best-in-class partnerships and core competencies to deliver a cash management solution that's tailored to fit your business. The right solution can help you build the most efficient and cost-effective cash supply chain; saving you time and money, giving managers more visibility to where the cash is, and giving staff more time to focus on the customer experience.

Need help? Think Brink's.





www.brinks.ca