

ALL SAINTS' C.E. (C) PRIMARY SCHOOL, ALREWAS.

FINANCE POLICY.

The school's finances are made up of the following funds:

- a) The budget allocation from the Local Authority
- b) Other income and lettings
- c) School Fund
- d) Donations from PTFA

THE BUDGET ALLOCATION.

This is determined by a formula set by the County Council, which is closely related to the number of children on roll in the school. The budget is allocated in February/March for the forthcoming financial year. Using financial information from previous years and spending projections, some preliminary work on the budget headings can take place before the announcement of the final budget figure.

The budget is prepared by allocating funds to cover fixed or known running costs e.g. staff salaries, heating, water, contracts for cleaning and grounds etc. The remaining amount can be allocated to Capitation costs, which includes educational resources. If there are insufficient funds in the budget to cover all these costs, savings may have to be made from one or more heading. Submissions will also be received from the various committees of the Governing Body in respect of the amounts they will need to resource their area during the forthcoming financial year. These include Premises, Personnel and Curriculum committees.

The preliminary budget work is carried out by the Headteacher with assistance from the school's JFU Support Officer. The initial proposals will then be discussed with the Finance Committee and any necessary amendments made. The Finance Committee will then agree the draft budget before presenting it to the full Governing Body for approval. The budget is then fixed and entered on to the school's computerised accounting function and a copy of the budget headings is signed and forwarded to the JFU.

'CARRY FORWARD' TOTAL.

Any carry forward total may be used to help balance the following year's budget. If it is not required for this purpose it will be invested through the County Treasurer's Department in accordance with their conditions. This investment is an interest earning deposit account. Sums can be withdrawn twice during the financial year - in October and April. If the 'carry forward' total is to be invested, and if it is in excess of £2000, the Finance Committee shall decide a clearly-defined spending objective, if one is not already defined in the School Development Plan. The total amount held in the deposit account at any one time should not exceed 5% of that year's budget allocation, unless earmarked for a specific project.

FINANCIAL MONITORING.

The monthly tabulation forms which detail all income and expenditure are sent to the school by JFU. These are first checked by the Headteacher and Clerical Assistant for errors and anomalies and 'reasonableness'. The clerical assistant then manually checks the tabulations against the entries on the school's computer (LRM 3). Each half term, the JFU Support Officer will check the school's computer records against JFU's and 'reconcile' them if required.

The monthly tabulation forms are also used by the Headteacher and Chair of Finance to monitor expenditure patterns and to give early warning of any over or under spending that may need correction. The Headteacher will inform the Governors of any areas of possible concern arising during the financial year.

Each term the full Finance Committee will examine the tabulations and look at spending patterns to ensure that all areas will keep within their budget allocation. A copy of the most recent update of the budget will be presented to the full Governing Body at each of their termly meetings.

FINANCIAL PROCEDURES.

Orders.

All orders for goods and resources must go through the Headteacher. Individual subject coordinators have been allocated their own budget amounts. Spending on these is determined by the coordinators in consultation with other Staff and the Headteacher. Once this decided, the order is entered on to the computer by the Clerical Assistant and printed out. **ALL ORDERS ARE SIGNED BY THE HEADTEACHER** (the deputy in his absence). No-one else is authorised to sign orders. The Clerical Assistant keeps a copy of all orders.

Following delivery of the order, this is then checked by a member of the support staff (two people should check whenever possible and especially for large orders over the value of £500).

Invoices.

When the invoice for payment is received, this is dealt with promptly by the Clerical Assistant. A payment invoice and coding is raised on the computer, signed by the Headteacher - who must check all amounts being paid for correct VAT, and for 'reasonableness' - and sent to JFU for payment. **ALL INVOICES ARE SIGNED BY THE HEADTEACHER** (the deputy in his absence). No-one else is authorised to sign invoices. The Clerical Assistant should keep a copy of the invoice as proof of payment.

If items of income or expenditure over £5,000 are incurred then the Headteacher must consult with the Finance Committee. If the amount is over £10,000, the full Governing Body must be consulted.

Invoices are passed to the Treasurer's department at the Local Authority for payment. The coding grid attached to the invoice informs the LEA which budget heading to pay the invoice from. Payments made subsequently appear on the monthly tabulations sent from the LEA and can be reconciled to the payments authorised on the computer based accounting system at school.(SIMS)

Virements.

During the course of a financial year, it may be necessary to vire monies between budget headings. The Headteacher has the authority to vire sums up to £2000. The Finance Committee can approve virements up to £4000. Sums in excess of this must be approved by the full Governing Body, although in some cases it may be appropriate to use the Chair of Governors' power to act. In this case the Headteacher is expected subsequently to inform the Governing Body of the virement.

Write- offs.

Approval to write off inventory items and authority to write off debts can only be given by the full Governing Body.

Register of Pecuniary Interests.

It is the responsibility of the Headteacher to maintain a register of pecuniary interests of Staff and members of the school Governing Body. This will be kept with other financial files in the stationery cupboard opposite the School Office.

Security of Cash.

When cash is being counted during the day, it is kept in a small lockable cash box, which can be stored in one of two secure locations, if the Clerical Assistant has to go out for any reason. Most of the cash coming into school is banked on the day it is received. Some cheques and small amounts may be stored in the safe overnight if necessary. Staff should not leave any cash in their classrooms at any time.

Tenders.

For purchases of goods and services over £2000 it is necessary for the headteacher to obtain three quotations. Those in excess of £10,000 shall be put out to tender and minimum of three tenders is required. If it is necessary to depart from these guidelines, the Finance Committee, the Chair of Governors and the Treasurer's Department will be consulted and all procedures will in any event conform with the LEA Standing Orders.

Audit.

The county council arranges for an internal financial audit to take place every 4 years. The recommendation and response to the most recent audit report are appended to this policy document.

MAINTENANCE OF THE IMPREST ACCOUNT.

The school holds an imprest account for £150, used for postage and reimbursement of petty cash claims by staff. This account is reconciled and balanced at the end of each calendar month by the Clerical Assistant. The account signatories are Mr Jeff Gray (Headteacher), Mrs Viv Wild (Deputy), Mrs Joyce Wright (Secretary) and Mrs Liz Tilley (Clerical Assistant). Two out of three signatures are required for a cheque. Petty Cash vouchers are signed and kept as a record of payment. A cash book is also maintained.

Imprest claims are paid through the school budget and appear on the monthly tabulations.

SCHOOL FUNDS.

The School fund account is in the name of *All Saints' Primary School Fund* and is held at the Post Office Girobank.

This account is used for:

- a) the banking of monies collected for school based visits, for which the county is not involved.
- b) payment to companies and organisations for which the school is acting as an 'agent', e.g Book Clubs.
- c) handling voluntary contributions to the school
- d) the banking of other income, e.g photograph commission, voluntary contributions
- e) for reimbursement to staff for additional purchases to support learning.
- f) For the purchase of gifts and refreshments (e.g. when staff are leaving)
- g) For other minor and miscellaneous items

The signatories are two from Mr. Jeff Gray, Mrs. Viv Wild, Mrs. Joyce Wright and Mrs Liz Tilley.

These funds are audited annually at the end of the academic year and the accounts are presented to the Governing Body.

OTHER MONIES RECEIVED.

Other monies, such as the collection of school dinner monies, are handled in accordance with directions issued by the County Treasurer's Department.

AGREEMENT OF POLICY.

This policy and the attached delegation Schedule were received and approved by the Governing Body on Monday 11th November 2002. These documents will be reviewed annually in February/March.

Reviewed September 03
Reviewed September 05