



MODEL SCHOOLS FINANCE MANUAL

TEMPLATES AND STANDARDS

June 2016

NOTES to Schools on these model templates:

All text in these templates **in italics** (such as this note) constitutes comments, advice, recommendations or alternative requirements to assist the school in compiling its own Finance Manual to match its own needs and circumstances. **All** text in italics should be removed as the school prepares each section of the Manual.

This Manual has been produced in Microsoft Word in a way that should generally be compatible with all earlier versions of Microsoft Word. The document should normally be viewed in "Print Layout" mode, which is essential for the Glossary.

The school can then use this Manual:

- as a basis for its Finance Manual
- to assist in amending or enhancing an existing Manual
- to make use of model forms that are included

Brackets are used throughout the templates, usually with spaces, to enter information relevant to the school. Advice is sometimes included within the brackets to assist the school, which should be removed and replaced with the relevant information. Where no advice is included and the bracket deals with responsibilities, it is recommended that a post title be entered. The school may wish to add the name of the post holder for clarity. This is likely to require the Manual to be updated more frequently, but changing a name rather than a post, when no procedural changes take place, would not require formal approval by the Governing Body.

Each section of the Manual is produced in a separate self-contained format so that copies of the school's final version of each section can more readily be given to individual members of staff.

Cover to be designed by the school

FINANCE MANUAL

Date of Issue

FINANCE MANUAL

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FINANCE MANUAL

1. INTRODUCTION

1. The aim of this Finance Manual is to:
 - 1.1 set out in detail the specific roles and responsibilities of governors and staff in carrying out financial tasks in the school;
 - 1.2 ensure the requirements are met of the Schools Financial Value Standard, Scheme for Financing Schools, Financial Regulations for Schools, other Schemes, plus other requirements, guidance and advice notified to the school;
 - 1.3 enable the school to provide efficient and effective financial controls.
 - 1.4 to ensure the continuity of financial management procedures in the absence of key staff and during any changes of such staff.
2. The Governing Body approved this Finance Manual on (*date*).
3. Financial Regulations for Schools accepts that smaller schools may find it difficult to arrange separation of duties in accordance with the Regulations and it is recognised that separation of duties should be adequately maintained with reference to the size of a school and staff available.
4. () is responsible for reviewing the contents of this manual on at least an annual basis and when there are changes in key financial staff, systems (whether computerised or manual) or procedures.
5. The Manual or extracts as appropriate should be distributed to all staff carrying out the functions detailed and any section revisions dated. School management will ensure that training needs of financial staff are periodically reviewed and addressed.

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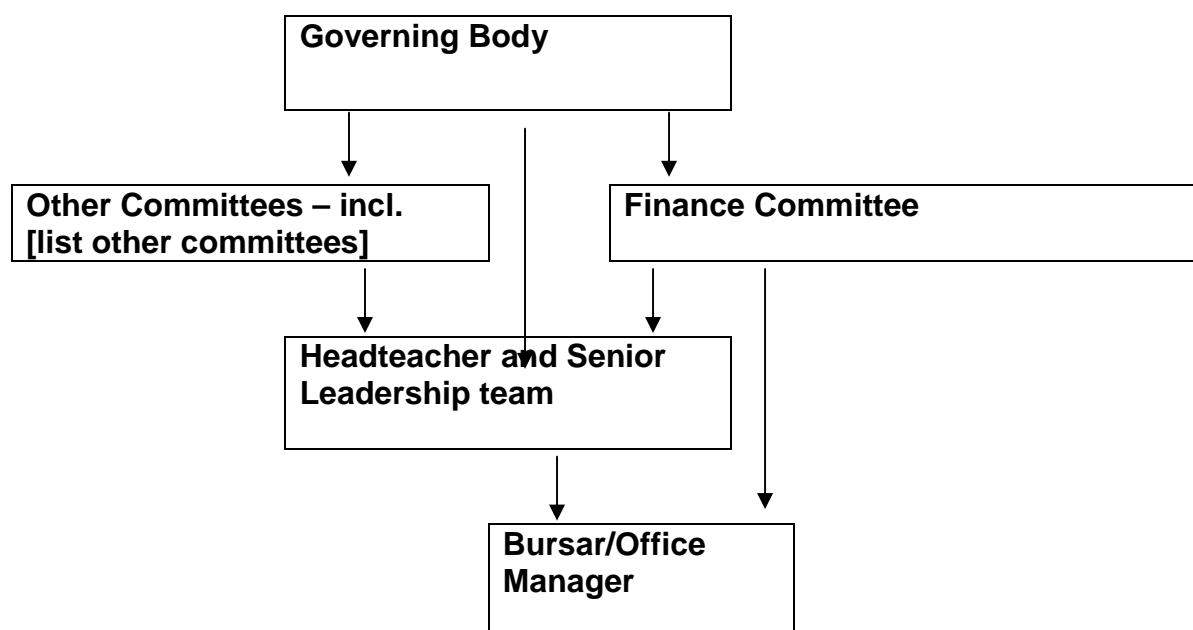
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The school will include the above statement in any Finance Manual created from this document.

2. GOVERNANCE

1. Responsibility Chart



The above table illustrates the delegation of financial responsibility from the Governing Body, to its Committees, the Headteacher and the Bursar/Office Manager.

2. Role of the Governing Body

The Governing Body is collectively responsible for the overall direction of the school and its strategic management. The Governing Body should act as a “critical friend” to the Headteacher by providing advice and support. The Governing Body is also responsible for ensuring that the school meets all its statutory requirements and in conjunction with the Headteacher, the Governing Body has the following responsibilities:

- Setting the Strategic Framework for the School.
- Setting the School’s educational and financial priorities.
- Setting policies and targets for achieving objectives and monitoring progress made by the School.
- Setting the School’s budget.
- To carry out regular budget monitoring to ensure the School’s finances are being managed effectively and that a balanced budget is achieved.
- Overall responsibility for staffing matters at the school.

Governors' Committees

In order to meet its obligations the Governing Body has set up the following committees:

Committee termly)

Frequency of meetings (e.g.

Finance

Every Half-term

For this committee Governor's should be provided with the following information:

- The latest Income and Expenditure CFR Statement.
- The latest monthly reconciliation spreadsheet.
- The quarterly outturn statement.
- A written narrative to detail any significant variances whether these are adverse or favourable.

[PLEASE INSERT OTHER COMMITTEES]

The Governing Body has defined and documented its financial responsibilities and those it has delegated to its committees. These are listed at **Appendix 1** section 7, page 33 (Delegation of Powers). Terms of reference will be reviewed and updated annually by the Governing Body to ensure their continued appropriateness.

The terms of reference for each of the committees were last reviewed on:

The Governing Body has appointed **[INSERT]** to take minutes of all full governing body and committee meetings. Minutes should clearly state the following:

- Who is presenting the topic for discussion,
- Decision made / outcome of the report,
- Who made the decision,
- What action is required to be taken and by whom,
- When the action needs to be completed by.

Minutes of committee meetings will be reviewed and formally ratified at the next meeting of the full Governing Body. These minutes should be signed and dated by the Chair of Governors.

3. Declarations of Interests

It is the responsibility of all staff/governors to ensure that they are not placed in a position which risks, or appears to risk, conflict between their private interests and their position as a member of staff/governing body. It is for the member of staff/governing body to always remain impartial and honest in the conduct of their official business and with their own dealings with the School, and to notify the School of any change in their circumstances/interests that may impact in any way upon their employment or upon the School in general.

The Governing Body will establish a register of business interests for Governors, the Headteacher and any staff who influence financial decisions. For example, Governors and staff should declare any links with local firms from which the school

may wish to buy goods or services. The register is reviewed and updated annually and should be retained on the school site so that it is open to examination by the public.

A sample declaration of business interests form can be found at **Appendix 1** (page 27). A form should be completed and signed for each individual required.

Person responsible for updating register **[INSERT]**

Date of last review/update of register **[INSERT]**

In addition to this, at the start of every Full Governing Body and Committee meeting, Governors are asked if they have any private interests with the topics to be discussed at the meeting and this will be clearly.

4. Role of the Headteacher

The role of the Headteacher includes:

- The management of the school's financial position at a strategic and operational level.
- The management of effective systems of internal control.
- The management of other financial issues.
- To monitor and review staffing and agency costs

The Headteacher advises the Governing Body, provides agreed levels of documentation for its review and decision making and undertakes tasks as delegated by the Governing Body in the School's scheme of delegation.

It is important that the School decides how the remit will be fulfilled and it may be helpful for the Finance Committee to discuss with the Headteacher which functions will be carried out by the Headteacher personally, and which will be delegated to the Bursar/Office Manager. The Headteacher will hold regular meetings with the Bursar to discuss the financial position of the school.

5. Register of Hospitality

It is important to recognise that the interest of the School must remain paramount at all times and that employees should not use their official position for private gain, employees should not accept gifts, inducements or promotional offers for their personal use or that of colleagues.

Casual gifts from pupils or offered by contractors or others, for example at Christmas or the end of term time, which may not in any way be connected with the performance of duties so as to constitute an offence under the Prevention of Corruption Acts, need not necessarily be refused, but if there is any concern that the donor (for example a parent, supplier or contractor) may be trying to gain favour then they should be politely and firmly refused or employees should seek guidance from their headteacher.

No employee is entitled to retain on a personal basis any goods; gifts, money or service discounts which are a normal purchase or promotional offer to the school. Where gifts are received which are the subject of a normal purchase or promotional offer, or where a gift is made and the donor refuses to take the gift back, these must be reported immediately to the headteacher. The employee must ensure that these gifts have been recorded as received in the appropriate "Gifts and Hospitality" record book held within the school.

Modest hospitality provided it is normal and reasonable in the circumstances, for example lunches and/or dinners in the course of working visits, conferences or professional gatherings may be acceptable. However employees should decline all other offers of gifts, hospitality or entertainment and must be alert not to jeopardise any decisions that they take, which may conflict with or be detrimental to the school's interest. Any hospitality received must be recorded in the "Gifts and Hospitality" record book held within the school. If any employee is unsure whether the acceptance of hospitality is likely not to be in the school's interest they should seek the advice of the headteacher/Chair of Governors in the first instance.

Hospitality which is lavish, extravagant or which exceeds modest proportions must always be refused even if it appears acceptable.

The school's delegated budget must not be used for hospitality, which is lavish, extravagant or exceeds modest proportions. The Governing Body has agreed parameters within which the headteacher may take financial decisions. Any expenditure outside the limit set by the Governing Body must be referred to the appropriate committee of the Governing Body for ratification.

An example of a hospitality record can be seen in **Appendix 2** (page 29)

6. Whistle-blowing Policy

Governors have approved the policy and communicated it to all staff.

The aim of the policy is to: -

- encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice.
- provide avenues for you to raise those concerns and receive feedback on any action taken.
- ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied.
- reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in good faith.

The policy is available on the Schools' Learning Portal.

7. Fraud

All Schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

Governors will establish a fraud policy for the School. Approval of this policy by the Governing Body will be minuted and the policy will be reviewed on an annual basis.

The Governing Body and Headteacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new School staff and Governors.

8. Schools Financial Value Standard (SFVS)

All local authority maintained schools must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner.

All maintained schools with a delegated budget must submit the SFVS assessment form to the local authority before 31 March annually.

SFVS assessment template can be found on the DfE website:
www.education.gov.uk

9. Risk Management

Risk is the threat that something (an event or action) will adversely affect a school's performance and its ability to successfully deliver its strategies. Risk management is the process by which such risks are identified, their severity assessed and cost effective actions are taken to reduce (mitigate) them to acceptable levels. It is a key element of the framework of a school's overall governance. Hence, it is essential that Governors and staff all understand the principles and practices of risk management.

A key point is that Risk Management should not make a school totally "risk averse". Rather it should make the school (it's Governors and staff) "risk aware" i.e. risk management should promote controlled risk taking. As such risk management is consistent with:

- increasing rather than reducing innovation
- creating a culture of risk awareness whereby staff and governors naturally consider risk issues as a part of day to day activities

Risk management is clearly much broader than financial management alone. You may therefore ask "how it fits into a standard for financial management?". The answer is that there are many overlaps between risk and financial management with

the internal control system being the most obvious and most notable one. A school's system of internal control is one part of its risk management process. It:

- has a key role to play in the management of significant risks that threaten the achievement of the schools aims and objectives;
- contributes to the safeguarding of public funds and assets and the achievement of value for money because it facilitates the effectiveness and efficiency of operations;
- helps to ensure the reliability of information used for internal and external reporting;
- assists with compliance with laws and regulations.

Each school should, therefore, seek to maintain a sound system of internal control. It makes sound business sense for schools to manage risk effectively and for all staff to exercise internal control and risk awareness in every aspect of their work. In particular recognising and dealing appropriately with the key strategic risks facing a school, enables it to identify the key actions it must take to achieve its main goals.

The benefits of implementing good risk management processes are fairly self-evident. In its publication "Worth the Risk" (2001) The Audit Commission summarised the following range of benefits (these have been edited to fit better into the school context):

- increased focus on what needs to be done (and not done) to meet objectives;
- more satisfied stakeholders;
- better management of change programmes;
- more calculated/innovative risk taking;
- fewer complaints;
- better controlled insurance costs;
- improved quality of learning environment;
- better ability to justify actions taken;
- achieve efficiency and value for money;
- getting things right first time more often i.e. less waste.

The DfE publication "Insurance – A guide for schools" (2003) more specifically identifies that effective risk management at schools will reduce:

- disruption of children's education;
- damage to a schools reputation;
- the negative effect of incidents on staff and pupils morale;
- time lost in reacting to incidents, handling claims etc;
- the stress and anxiety that always accompanies accidents and losses;
- the cost of insurance cover as premiums reflect claims history.

Taken together these benefits potentially give a school a competitive advantage in terms of efficiency and effectiveness over other schools that may compete with it for pupils, staff and scarce resources. They also help to safeguard the School's reputation, but more importantly they help schools to avoid nasty surprises and the consequent need for a management response that diverts resources away from teaching.

Firstly, everyone involved with the running of the school must understand that **Risk Management is about risk mitigation** (reducing risks to an acceptable level) not risk elimination. Hence, the process:

- starts by identifying the “Inherent Risk” i.e. the risk faced if no action was taken to mitigate it;
- proceeds to assess the “Residual Risk”, which is the actual risk exposure after risk mitigation measures have been implemented. Residual risk can then be compared to the level that the school considers to be “Acceptable Risk” and further mitigation measures are only necessary when “Residual Risk” exceeds the “Acceptable Risk”

Secondly, risk management must be **an inclusive process** as it is the staff who are involved with the school’s day to day operations who will best understand the risks it faces and will be key to the management of those risks.

Thirdly, to be **effective Risk Management processes need to take account of a much wider range of risks** and most risks probably have some, albeit indirect, financial consequences.

Because the ranges of risks are potentially very wide it helps to categorise the risks. Risk categorisation helps staff to generate a fairly comprehensive picture of the risks a school faces. It also helps the school to structure its risk mitigation strategies and procedures. The risk can be summarised under two headings i.e. Strategic and Operational, as follows.

Strategic Risks - These need to be taken into account in judgements about medium to long term goals and objectives of the School. Strategic risks include:

- **Political** –associated with implementing government policy.
- **Economic** –affecting the schools ability to meet its financial commitments.
- **Social** –resulting from demographic and socio-economic trends.
- **Technological** –the school may not be able to keep pace with technological change and therefore fail to exploit opportunities or fail to provide pupils with good ICT skills.
- **Legislative** – failing to comply with new or existing national or European law.
- **Environmental** – arising from the environmental consequences of school pursuing its strategic objectives e.g. emissions, waste.
- **Competitive** – affecting the cost or quality of the school’s activities.
- **Customer/Citizen** - related to failing to meet the current or changing needs of stakeholders.

Managing strategic risks requires a school to have an outward looking approach rather than a purely internal focus. Senior staff and Governors are, therefore, more likely to be prominent in the identification of strategic risks and the planning and implementation of risk mitigation strategies, than more junior staff.

Operational Risks - These are the risks that are encountered by staff in the daily course of their work. They include:

- **Professional** – related to the quality of education and welfare of pupils.
- **Financial** – leading to financial losses including the adequacy of insurance cover.

- **Legal** – related to non-compliance with legal requirements.
- **Physical** – related to fire, security, health and safety etc.
- **Contractual** – leading to suppliers not providing the agreed level/quality of goods/services.
- **Technological** - related to technological failure.
- **Environmental** - arising from the environmental consequences of a schools day to day activities.

The Audit Commission notes that these risk categories are not comprehensive. However, they do provide a basic framework within which staff and Governors can discuss the risks facing the school and the measures that are being/could be taken to mitigate them.

Fourthly, risk management is a **continuous process**. It should not only be a “one off event” at a particular time of the year. Having said this to practically ensure the process is carried out and to ensure people devote the necessary time to it formal meetings, seminars etc. at which risk management is discussed do need to be organised. A good idea is to make it a standing agenda item a regular management meetings. The full ongoing process is:

Step 1 - establish the context (Environmental factors, and Council Wide factors) around the risk management process. This will help you identify many of the strategic risks in particular.

Step 2 – identify the risks that the school faces and record in a risk register.

Step 3 – review how current internal control systems mitigate the risks identified and record the control in the risk register.

Step 4 – estimate the risk level by determining **how likely each risk** is given the controls in place and **how serious each risk would be** (its impact) if it occurs in relation to the finances, operations, reputation etc. of the school.

Step 5 – rank the risks in priority order. This is to prioritise the risks that need new actions to bring “Residual Risk” in line with target “Acceptable Risk” exposure levels. This step is essential as the aim is to focus scarce management and staff time on the most serious risks rather than every possible risk.

Step 6 – for priority risks, plan and implement cost effective risk mitigation actions. Insurance is **only** one option available to a school, others include:

- accepting the risk and absorbing any losses/consequences
- accepting the risk, but making continuity/contingency plans to cover the reaction period
- implementing preventative internal controls
- risk transfer or sharing i.e. to or with a contractor or partner
- eliminating the risk by ceasing associated activity/removing the source of the risk

Step 7 – Constantly keep the risk register and the risk mitigation plans up to date as more information is gained so that the “Residual Risk” exposure can be constantly compared to the target “Acceptable Risk” levels. A key issue here is that a “**Risk Response Plan**” is needed for unacceptable risks. This needs to be communicated to those involved and in some cases it may be wise to trial run or practice a contingency plan that is put in place.

3. ACCOUNTING POLICIES AND RECORDS

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Financial Regulations for Schools
Bank Account Scheme for Schools
Schools Financial Value Standard
Purchasing Card Guidance for Schools

2. This document supports the sections of Financial Regulations for Schools on Accounting and Taxation Records and Accounting Policies.

OVERALL RESPONSIBILITIES

3. The headteacher has overall responsibility to the Governing Body for ensuring:
 - 3.1 the school abides by all the procedures issued by the Section 151 Officer in relation to accounting policies,
 - 3.2 the final accounts of the school are prepared in accordance with procedures and time scales as determined by the Section 151 Officer,
 - 3.3 the accounting records and controls in place comply with the minimum requirements as specified from time to time by the Section 151 Officer.,
 - 3.4 the management of all other financial issues,
 - 3.5 the proper preparation and presentation of all financial statements which are adequately supported by the records of the school including vouchers, receipts and contracts where appropriate.
 - 3.6 Data Protection Act responsibilities are fully complied with.

ACCOUNTING POLICIES

4. (*Finance Committee or equivalent*) is responsible for the school's accounting policies and ensuring the school follows the overarching Council policies in this area, in particular the Budget Guidance Notes, Year-end Closure Notes and other Financial Accounting Standards notified by the Section 151 Officer to the school.
5. Policies additional to those issued by the Section 151 Officer are approved in writing by the Governing Body in advance of submission of the Annual Year-end Return to the LA.
6. () maintains a file of all accounting policies adopted by the school, including those supplied by the Section 151 Officer.

REVIEW OF ACCOUNTING SYSTEMS

7. Any review of the school's accounting system will be referred to () for written authorisation. () will ensure that any changes result in continued compliance with all requirements set out by the Section 151 Officer and the LA published preferred list of systems.
8. () will inform the Section 151 Officer of any proposed changes to the school's accounting procedures that may affect the maintenance of financial records. Any such changes are carried out in accordance with the procedures and timetables as set out in the Council's Scheme for Financing Schools.
9. () will ensure records are made available for public inspection in accordance with the LA's responsibilities for the inspection of such records.

SECURITY AND RETENTION OF DOCUMENTS

10. () will have overall responsibility to ensure that all records are kept securely for the statutory or other periods as advised by the Section 151 Officer.
11. Full current details of retention periods for all documents are included in this Manual at Section 19.
12. () will be responsible for ensuring that local accounting system data is backed up to a remote external hard drive / secure online ('cloud') storage service / secure online file hosting service (*delete as appropriate*) on a daily basis.

4. BUDGET MONITORING AND CONTROL

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (_____), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Financial Regulations for Schools
Budget Guidance Notes
Bank Account Scheme for Schools
Schools Financial Value Standard

OVERALL RESPONSIBILITIES

2. The Governing Body has overall responsibility for ensuring the school budget is monitored as a continuous process and that income and expenditure are maintained at levels as outlined in that budget.
3. Responsibility is delegated to the headteacher to:
 - 3.1 ensure that systems are in place to monitor and control the school budget
 - 3.2 ensure that budget managers, to whom budgets have been delegated, carry out continuous monitoring of their budgets
 - 3.3 receive regular reports from budget managers
 - 3.4 take such action to prevent any overspend of the school budget not authorised by the Section 151 Officer.
4. The Governing Body has approved on (*date*) the procedures contained in this document for the effective monitoring and control of the school budget.

5. () is responsible for ensuring all policies are current and any variations in policies and procedures are promptly submitted to the Governing Body for approval.

BUDGET MANAGERS

6. The budget for the school will be allocated to (*departmental or curriculum area*) budgets by (). Each (*departmental or curriculum area*) budget will be identified to a budget manager.
7. The following budget managers will have delegated responsibility for the day-to-day monitoring of the budgets specified:

List below: Budget Title and Name of budget manager

8. Budget managers will ensure that they are in a position to monitor their budgets on a continuous basis, taking commitments fully into account as they arise. () is responsible for ensuring all such systems are adequate and are operating effectively.
9. () will produce monthly statements of income and expenditure from the local accounting system and provide these to each budget manager. The budget manager will take into account known commitments when comparing total income and expenditure with the budget for the year.
10. Any problems identified by a budget manager in keeping within the budget delegated will be reported promptly to ().
11. Should an urgent review be needed of budgets allocated to budget managers, this will be coordinated by ().
12. The overall position of the school's budget will be monitored on a monthly basis by () who will produce reports and written commentary for the Governing Body on at least a termly basis (see later section).

LOCAL ACCOUNTING SYSTEM

13. Access to the computer based local accounting system will be controlled by (), who will ensure there is adequate and effective separation of duties between authorising orders, authorising payments and entering transactions onto the system.

BUDGET MONITORING STATEMENTS

16. A budget monitoring statement will be produced by () every (at least termly) for submission to (*Finance Committee or similar*).
17. The statement will analyse the expenditure and income for each budget heading over at least the following column headings:

Total to Date
Budget Plan
% of Budget Plan to Date
Outstanding Commitments to 31 March
Forecast Total to 31 March
Forecast Balance Over or Under Spent by 31 March

The total of the Budget Plan column will always agree with the current School Budget Share.

An example of a statement is shown at Appendix 1. School to attach its own statement.

18. The layout of the budget monitoring statement is shown at Appendix 1 to this section. () will add a written commentary as appropriate for the attention of the governors, which includes variance analysis to the budget from estimate to actual and any impact anticipated on specific initiatives in the School Development Plan, which have been allocated resources.
19. Following consideration of the report by the (*Finance Committee or similar*), the minutes will be submitted to the Governing Body.

REVISED BUDGET PLANS

20. Any changes in the School Budget Share within the financial year will be promptly incorporated in the school's revised budget plan by () after the revised budget has been considered and approved by the headteacher and (*committee of Governing Body as appropriate*).
21. Budget virement has been delegated to the headteacher by the Governing Body as follows. (*Define the level of expenditure and budget headings as approved and minuted*).
22. Recommendations to exercise virement will be submitted by budget holders to the headteacher for consideration. Virement to be approved by the Governing Body will be reported to the (*Finance Committee or similar*) by () for consideration and reporting to the Governing Body for approval and minuting together with the date of approval.

23. () will produce a revised budget plan reflecting the agreed virement and give the information to budget holders.
24. () will update the local accounting system.
25. () will notify the Schools Financial Adviser of the revised budget plan as soon as practical after decisions have been made and at the minimum submit a revised budget plan approved by the Governing Body or by a committee of the governing body by 31st October each year.

SECURITY AND RETENTION OF DATA AND DOCUMENTS

26. () will be responsible for ensuring backup data disks are taken on a daily basis for the local accounting system data and stored away from the school premises on a weekly basis.
27. () will be responsible for ensuring that local accounting system data is backed up to a remote external hard drive / secure online ('cloud') storage service / secure online file hosting service (*delete as appropriate*) on a daily basis
28. () will be responsible for ensuring that all documentation relating to the budget is retained securely.
29. Full current details of retention periods for all documents are included in this Manual at Section 19

APPENDIX 1

_____ **School**

EXAMPLE INCOME AND EXPENDITURE MONITORING STATEMENT

1 April 20 ____ **to** _____ **20** ____

	Total to Date	Budget Plan	% to Date	Outstanding Commitments to 31 March	Forecast Total to 31 March	Forecast Balance (Over)/Under by 31 March
	£	£	%	£	£	£
Expenditure List						
Contingencies						
Total Expenditure						
Less Income List						
Total Income						
BUDGET TOTAL						

Comments:

Signature.....

Date.....

Date to Governing Body.....

5. BUDGET PREPARATION

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document and appropriate extracts of the guidance and instructions listed below will be distributed to all relevant staff carrying out the functions detailed. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Financial Regulations for Schools
Budget Guidance Notes
Bank Account Scheme for Schools
Schools Financial Value Standard

OVERALL RESPONSIBILITIES

2. The governing body has overall responsibility for:
 - 2.1 Setting an overall Improvement Plan and defining its strategy
 - 2.2 Prioritising spending in order to derive a budget plan
 - 2.3 Approving the first formal budget plan of the year by the 1st May and a revised budget plan by 31st October. *(Responsibility for approving the first formal budget plan and the revised budget plan can be delegated to committee of the governing body)*
3. Responsibility is delegated to the headteacher for:
 - 3.1 The administration of the budget setting process in line with the strategic direction of the school
 - 3.2 Submitting the budget plan to the governing body for approval
 - 3.3 Submitting the approved and signed budget plan to the LA by the 31st May each year and the revised budget plan by 31st October each year.

BACKGROUND

4. The school submits a budget plan to the LA each year. The budget plan shows the intentions of the school for expenditure and income in the current financial year and the assumptions underpinning the plan.

5. Total planned net expenditure for the financial year may not exceed the budget share, adjusted by amounts carried forward from the previous financial year, any additional income receivable and any in-year adjustments which may be made in accordance with the Scheme for Determining School Budget Shares.
6. In determining an appropriate budget strategy the governing body shall have regard to “*The Budget Guidance Notes*” and any other guidance issued by the LA.
7. The governing body will not approve financial commitments into subsequent financial years without satisfying themselves that the costs can be met within the likely level of resources.
8. The governing body will not plan for a deficit budget. If an unplanned deficit arises at the school, the governing body will notify the LA immediately and submit a plan to the LA showing how the school proposes to eliminate the deficit. Any deficit incurred will be the first charge on the school’s budget share in the following financial year (*refer to Budget Monitoring*).
9. In addition to any capital allocation made available by the LA outside the school’s delegated budget share, the governing body is permitted to use their budget share to meet the cost of capital expenditure on the school premises, as long as the schools formula capital allocation has been fully utilised first and by using revenue funds to pay for capital expenditure it does not put the schools revenue budget into a deficit position. The governing body must notify the LA in advance of any such expenditure if the school wishes to make alterations to their buildings or site.

BUDGET PREPARATION PROCESS

11. () is responsible for setting out the budget process which is approved by the Finance Committee / Governing Body (*delete as appropriate*) on an annual basis. Upon approval () is responsible for setting up a budget file in which all relevant documents are filed.

12. The budget process will incorporate the following:

The extent of the budget process will depend upon the size of the school and additionally how bids for funds are managed (i.e. resource allocation). Each school to insert the processes that are followed. Those that are deemed key to an effective budget preparation process are listed below.

- 12.1 () is responsible for ensuring that issues included in Budget Guidance Notes are incorporated in the process.

- 12.2 () is responsible for ensuring that the latest Pay Scales information provided is used to calculate staff costs and additionally,

where inflationary costs are not known, to incorporate reasonable assumptions.

- 12.3 () is responsible for testing the assumptions made and additionally ensuring that all calculations are accurate.
- 12.4 () is responsible for ensuring that all issues contained in the School Development Plan are reflected in the budget process.
- 12.5 () responsible for managing bids for funds from curriculum areas/departments and feeding these into the budget process.
- 12.6 () is responsible for ensuring that the budgetary assumptions incorporated in the Multi-Year Budget Plan, including pupil forecasts, are still appropriate.
- 12.7 () is responsible for preparing an interim budget report setting out the overall financial position of the school.
- 12.8 () is responsible for incorporating the Indicative Budget if provided by the LA during the Autumn Term into the budget process.
- 12.9 () is responsible for ensuring that the final budget plan is prepared for approval by the Governing Body or by a committee of the governing body upon receipt of the School Budget Share from the LA, taking into account all the issues raised during the budget process.
- 12.10 () is responsible for setting out assumptions made with regard to income for approval by the Governing Body.
- 12.11 () is responsible for setting out how the principles of Best Value have been complied with for approval by the Governing Body.
- 12.12 Upon approval of the budget plan by the Governing Body or by a committee of the governing body, () is responsible for ensuring that the approved budget plan, statement of income assumptions, and back-up to salary calculations are submitted to the LA on the appropriate forms and are signed by both the Headteacher and the Chair of Governors (where appropriate).

Depending on the size / management style of the school, budget reports will be prepared for approval by either the Management Team and/or the Finance Committee / Governing Body outlining the build up of the budget in terms of costs and funding

13. () is responsible for ensuring that the budget file is securely held in school so that further reference may be made to it during the financial year.
14. () is responsible for communicating the approved budget to individual budget managers so that they can carry out their budget monitoring responsibilities.
15. () is responsible for ensuring that the budget plan is reflected on the school's accounting system. () will sign the first budget print confirming that the budget plan has been entered onto the school's accounting system.

BUDGET TIMETABLE

16. The budget process will normally begin in the Autumn term.
17. The school is required to provide the LA with a forecast outturn for the current financial year by the beginning of December each year
18. The school is required to submit the formal budget plan, approved by the Governing Body or a committee of the governing body, to the LA by 1st May of each year.
19. The school is required to submit a revised budget plan, also approved by the said committee to the LA by 31st October of each year.
20. The following are key dates for the internal management of the budget process: *school to insert own dates where appropriate.*

SECURITY AND RETENTION OF DOCUMENTS

21. () will be responsible for ensuring that all documentation relating to budget preparation is retained securely.
22. Full current details of retention periods for all documents included in this Manual at Section 19

6. CODE OF CONDUCT AND REGISTERS OF PECUNIARY INTERESTS

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all staff who could be in any way involved in spending decisions and the selection of suppliers of goods or services, and all governors. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staff and governor responsibilities. This is the responsibility of (_____), who will maintain a record of the name of the member of staff or governor, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools

CODE OF CONDUCT

2. A code of conduct for Governors and Staff relating to commercial practices, gifts and hospitality was submitted to the Governing Body and adopted by them on (*date*)
3. (_____) will be informed by any governor or member of staff of any gifts or hospitality received and will record all details of such gifts or hospitality in a book kept for this purpose. *(Alternatively a Gifts and Hospitality Procedure form is enclosed at Appendix 2 and can be amended as required and completed forms kept on a file. Please substitute with school alternative if applicable.)*
4. Any queries from governors or staff on the requirements of the Code will be handled by (_____), who will seek further advice as necessary.

GOVERNORS' DETAILS AND THE REGISTER OF BUSINESS INTERESTS

5. Governors hold an important public office and their identity should be known to their school and wider communities. Governing bodies should therefore publish on their website information about their members. The information they should publish should, as a minimum include for each governor:
 - their name;
 - their category of governor;
 - which body appoints them;

- their term of office;
- the names of any committees the governor serves on; and
- details of any positions of responsibility such as chair or vice-chair of the governing body or a committee of the governing body.

Governing bodies should also publish this information for associate members, making clear whether they have voting rights on any of the committees they serve on.

6. Governors and staff have a responsibility to avoid any conflict between their business and personal interests and the interests of the school. One important means by which a school must demonstrate it is applying these principles is by maintaining a Register of Business Interests. This register should be kept up-to date and discussed as a standing item at the beginning of every governing body meeting to help identify potential conflicts of interest and if any updating or further action is needed. Individuals are responsible for declaring immediately if they have a conflict of interest with any matter being discussed. If there is a conflict of interest, the relevant person is required to withdraw from the meeting and not vote on the issue in question.
7. All business interests should be declared that could result in a conflict of interest:
 - Financial – interests in a contract or proposed contract by direct or family connection
 - Appointment – interests in the provision for sponsor governors or interests in someone’s appointment, reappointment or suspension from office as a governor or clerk to the governing body
 - Pay and performance – interests in the pay or appraisal of someone working at the school in cases where the governor or staff member is also paid to work at the school
8. The Register will be comprised of a file of forms, an example of which is at Appendix 1 to this section. The Register is the overall responsibility of () who will ensure the register is updated at least annually for all staff and governors.
9. The Register will be held securely by ().
10. Notifications of pecuniary interests will be given by governors and staff to (), who will file the forms in the Register.
11. Any queries from governors or staff on the need to register pecuniary interests will be handled by (), who will seek further advice as necessary.

SECURITY AND RETENTION OF DOCUMENTS

12. () will be responsible for ensuring that all documentation is retained securely.
13. Full current details of retention periods for all documents are included in this Manual at Section 19.

SAMPLE DECLARATION**DISCLOSURE OF A BUSINESS (or PECUNIARY) INTEREST
GOVERNORS / STAFF**

School

FULL NAME.....

Please complete as appropriate:

EITHER

1. I and/or my partner and/or my relatives (including spouse) have a direct or indirect interest in the companies / organisations / bodies listed below from which the school may wish to purchase goods or services:

Name of Company or Body	Nature of Business	Nature of Interest	Date of Appointment or Acquisition	Date of Cessation of Interest	Date of Entry
Details of any other education establishments governed, member of Central Bedfordshire Council or have been appointed by the Central Bedfordshire Council.					
Relationships between governors and school staff (including spouses, partners and relatives):					

OR

2. Neither I nor my relatives (including spouse) have any direct or indirect interest in any company / organisation / body from which the School may wish to purchase goods or services.
If you have no such interests please write "NIL" in the table above – for completeness of the School's records NIL returns are needed.

IN ALL CASES

3. . I certify that I have declared all beneficial interests which I or the members of my immediate family have with businesses or other organisations which may have dealings with the school. I also undertake to inform the school of any change in these business interests.

Signed _____ Date _____

APPENDIX 2
Gifts and Hospitality Procedure
Code of Conduct for Governors and Staff

Please answer the questions below to explain the circumstances in which you have received or been offered a gift or hospitality.

The Gift/Hospitality

Description of Gift/Offer of Hospitality	
Approximate Cost	£
Date of receipt of gift/hospitality	

Recipient of the Gift/Hospitality

Name	
Job Title/Grade	
Does the recipient, in the course of his/her work duties, determine contracts or allocate expenditure?	Yes/No If yes, give details:
What is the current/potential relationship between the recipient and the organisation offering the gift/hospitality?	
Is this employee the only recipient of gift/hospitality from this source?	Yes/No If yes give details:
Has the recipient received, in the last two years other gifts or hospitality? What were they?	Yes/No

Provider of the Gift/Hospitality

Name of the Organisation:	
Nature of business	
Current/potential relationship with Council/School	
Has this organisation offered gifts/hospitality to other employees?	Yes/No If yes give details:

Employee's signature clause

Signed

Print Name.....

Date.....

Headteacher's or Chair of Governors' signature clause

I support / do not support this gift / hospitality being accepted (delete as

appropriate)

Signed

Print Name

Position

Date

This completed Form should be passed to your Headteacher or Chair of Governors for signature and placed on the Register maintained by the school.

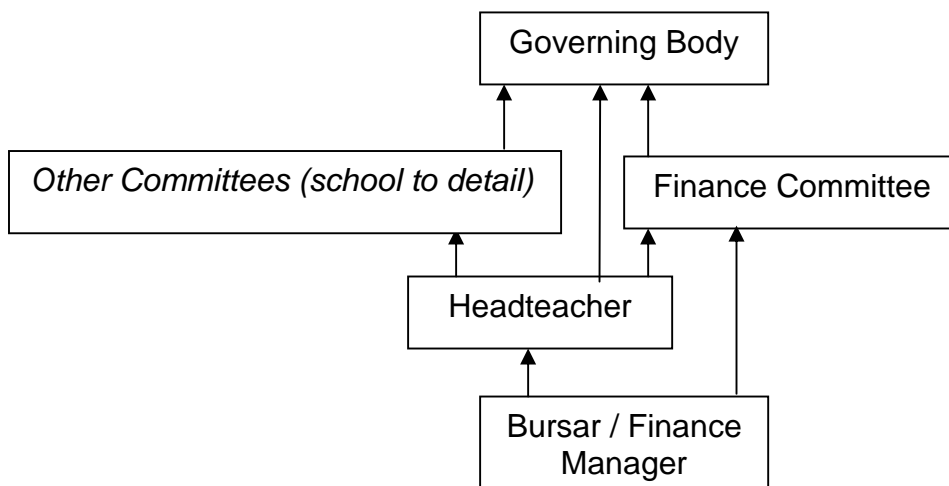
7. DELEGATION OF POWERS

_____ School

INTRODUCTION

1. The document at Appendix 1 and Summary at Appendix 2 sets out the respective financial and some other associated roles and responsibilities of the Governing Body, its committees and headteacher and the further delegation of certain functions from the headteacher to other members of staff (see Appendix 3).
2. Financial Regulations for Schools contain a section on Delegation of Powers. This emphasises the need for schools to properly authorise and document arrangements to delegate financial responsibilities. The Scheme of Delegation for (*enter name of school*) was approved by the Governing Body on (*date*).
3. (_____) is responsible for ensuring all staff are advised of the delegation of powers.

SCHOOL RESPONSIBILITY CHART *(Example)*



School to add staffing structure here below the levels shown as appropriate

The Appendix 1 and Appendix 2 attached are merely illustrative and the school will need to consider each and every section and reach a decision on whether each section is appropriate for its particular circumstances. Where it is considered that an area of delegation is appropriate, the Governing Body approved arrangements should be inserted.

*When the Governing Body is considering their Scheme of Delegation and producing their own Appendices to this section of the Finance Manual, they should refer to and take note of the Schools Financial Value Standard
An interpretation of it is shown at the Appendix 1 and 2. Appendix 3 is an illustration of the financial delegation.*

ILLUSTRATIVE ONLY: TO BE PRODUCED BY THE SCHOOL

ROLES OF THE GOVERNING BODY AND HEADTEACHER

SCHEME OF DELEGATION

[The School Governance \(Roles, Procedures and Allowances\) \(England\) Regulations 2013](#) come into force on the 1st of September 2013 and simplify and replace the provisions of three previous sets of regulations, including The Education (School Government) (Terms of Reference) (England) (Regulations) 2000.

KEY POINTS

- The 'board of governors' should operate at a strategic level, leaving the head teacher and senior school leaders responsible and accountable to it for the operational day-to-day running of the school.
- The board should avoid its time being consumed with issues of secondary importance, and focus strongly on three core functions:
 - setting the vision and strategic direction of school;
 - holding the headteacher to account for its educational performance; and
 - ensuring financial resources are well spent.
- Governors need a robust process and framework for setting priorities, creating accountability and monitoring progress.
- It is good practice for the board to review its own performance regularly and publish an annual statement to explain how it has fulfilled its responsibilities.
- Boards should develop and maintain a scheme of delegation to define explicitly at which level each of its functions will be exercised. It is crucial that the board as a whole retains oversight of the core functions.
- The chair has a vital role in keeping the board focused on its core functions, and in ensuring it operates effectively, including through the active contribution of all its members.
- High quality professional clerking is crucial to the effective functioning of the board.
- Members of the board and its committees must be present in a meeting to vote, but they may be present 'virtually', for example by telephone or video conference.

THE TERMS OF REFERENCE

1. The Governing Body must:

1. Act with integrity, objectivity and honesty in the best interests of the school.
2. Be open about the decisions they make and the actions they take and in particular shall be prepared to explain their decisions and actions to interested persons.
3. Nothing in Paragraph 1.2 above shall require the Governing Body to disclose material relating to:
 - A named teacher or other person employed or engaged or proposed to be engaged at the school
 - A named pupil at or candidate for admission to the school
 - Any matter which by reason of its nature, the Governing Body or a committee of the Governing Body are satisfied should remain confidential

ROLE OF THE GOVERNING BODY

2. The Governing Body are to carry out their functions with the aim of taking a large strategic role in the running of the school.
3. This includes setting up a strategic framework for the school, setting its aims and objectives, setting policies and targets for achieving the objectives.
4. The Governing Body shall monitor and evaluate progress and reviewing the strategic framework in the light of progress.
5. In exercising this role the Governing Body shall consider any advice given by the Headteacher.
6. The Governing Body shall act as a “critical friend” to the Headteacher, providing support for the Headteacher in the performance of his functions and give him constructive criticism.

ROLE OF THE HEADTEACHER

7. The Headteacher shall be responsible for the internal organisation, management and control of the school and the implementation of the strategic framework established by the Governing Body.
8. The Headteacher shall advise the Governing Body in relation to the establishment and review of the strategic framework e.g.

1. formulate aims and objectives for the school
2. formulate policies for the school for achieving those aims and objectives
3. formulate targets for the achievements of those aims and objectives

all of which the Governing Body will consider adopting.

9. The Headteacher shall report at least once every school year to the Governing Body on the progress made towards achieving the aims and objectives.

DELEGATIONS OF THE GOVERNING BODY'S FUNCTIONS

10. Where the Governing Body delegate any function to a Headteacher, the regulations give them power to give the Headteacher reasonable direction in relation to that function and oblige the head to comply with those directions.
11. The Governing Body has decided to delegate some of the functions to the Headteacher having regard to their mainly strategic role and the Headteacher's responsibility for internal school organisation, management and control.

SCHOOL CURRICULUM

12. The Headteacher is responsible for preparing policies for the secular curriculum and for reviewing the Policy every school year. The Governing Body will agree the policy and monitor and review implementation.

PERFORMANCE MANAGEMENT

13. The Governing Body writes the Performance Management Policy, which governs the implementation of teacher appraisal. This takes place after consultation with teaching staff.
14. The Governing Body reviews the policy annually, ensuring teachers are consulted.
15. The Headteacher will implement the policy. A copy of the Performance Management Policy is available on the policy file and is available to teaching staff and anyone inspecting the school's appraisal system.

COMMITTEES

16. A delegation to any committee shall be subject to the following restrictions and conditions:
 1. The Committee shall give effect to any resolution of the Governing Body upon matters of principle or policy.
 2. The Committee shall, in cases of doubt or difficulty, direct that its decision be submitted to the Governing Body as a recommendation.
17. Notwithstanding delegated powers granted, the Governing Body may call for any matter that is still under consideration to be referred to them for a decision.
18. The Governing Body has established the following committees:
 1. Statutory

There are no longer any statutory committees. If it is the wish of the governing body an admission/exclusion hearing could be heard by the full governing body. In the event of a staff disciplinary procedures hearing held, the headteacher has the right to hear the initial appeal with the full governing body forming the appeals' committee.

2. Non-Statutory *but Finance is recommended*

School to insert its list here e.g. Finance Committee

AUTHORITIES AND RESPONSIBILITIES DELEGATED TO PARTICULAR COMMITTEES

19. For each of these committees the membership, procedures and designated functions have been determined and are attached. (school to attach)
20. The Governing Body retains the right to withdraw any delegated powers at their own discretion.

AUTHORITY AND RESPONSIBILITIES DELEGATED TO THE HEADTEACHER

21. The Governing Body shall rely on the Headteacher to perform those functions that are set out in the Teacher's Pay and Conditions Document - Conditions of Employment of Headteachers and the conditions in Section 1 of that document.

22. In addition the following functions are delegated to the Headteacher: (see Appendix 2)

1. School Development Plan

- a) To prepare a plan to include financial aspects for submission for approval by the Governing Body and to keep the plan updated and under review. Amendments to the plan to be agreed by the Governing Body at the next meeting.
- b) To prepare for consideration by the Finance committee a proposed budget consistent with the schools budget.
- c) To perform the duties of Section 151 Officer in compliance with the Financial Regulations for Schools and in particular sound budget management and implementation of financial control. (see Appendix 2)

2. Staffing

- a). To propose for the approval by the Governing Body a complement and organisational structure of the teaching and non-teaching posts in the school.
- b). To formulate for approval by the Governing Body the specifications for all posts.
- c) To select for appointment all part time and temporary teachers.
- d) To be a member of the Governing Body committee for the selection and advancement of all full time and permanent teachers, excluding the selection of a Headteacher.
- e) To be responsible for the selection of all full time and part time non-teaching staff employed at the school.
- f) To recommend all incremental increases in Staff pay to the Governing Body.
- g) To recommend levels of pay of all Staff against their post specifications to Governors who will then notify the staff accordingly.
- h) The authority to allocate additional paid hours of work to non-teaching staff.

3. Performance Management

- a) To implement Performance Management policy established by Governing Body.
- b) To appoint/act as appraiser for teacher.

4. Special Education Needs

- a) To secure that the necessary provisions are made for any pupil for whom the LA had made a written statement of Special Educational Needs.
- b) To ensure that teachers at the school are aware of the importance of identifying, involving the parents of, and providing for pupils who have special educational needs.
- c) To assume the role of responsible person as specified under Section 2(5) of the Education Act 1981.

5. Pupil Admission and Attendance

To assist the Admissions Committee to secure that the statutory requirements relating to the school's admissions and attendance registers are complied with and that the relevant returns are made as required.

6. Premises

Subject to any directions by the Governing Body or relevant committee to operate the Governing Body's policy on the community use of the school.

7. Elections

To act as Returning Officer in conduct of elections of teacher governors and parent governors.

8. Pupil Records

The Governing Body delegates to the Headteacher the right to access to all pupil records.

9. Curriculum

To ensure that the school curriculum conforms to the requirements of the National Curriculum and Government Regulations with regard to Literacy and Numeracy.

10. Data Protection Act

To ensure that the school conforms to Registration under this Act.

AUTHORITIES AND RESPONSIBILITIES DELEGATED TO THE CHAIRMAN OF GOVERNORS

23. Authority to act in an emergency - within the Statutory Powers of a Chairman to act in circumstances of urgency, as defined in the regulations.
24. In relation to any function of the Governing Body, the Chairman shall have the power to take such action as considered appropriate provided the following criteria are met
 1. Delay would be seriously detrimental to the interests of the Governing Body, the School, any registered pupil or his/her parent or guardian or to any person employed at the school.
 2. A meeting of Governing Body or appropriate committee cannot be held until after the decision or action must be taken.
25. The Vice Chairman may execute these powers in the same circumstances if the Chairman is unavailable.
26. All decisions and actions taken under these provisions shall be reported to the next meeting of the Governing Body and to that of any committee concerned for information.

GOVERNORS RESPONSIBILITIES FOR STAFFING

27. The Governing Body:
 1. Employs the staff of the school;
 2. Must accept the existing pay and conditions of service of staff.
 3. May, like the previous employer, reach fresh agreements on non-statutory conditions for teachers and all pay and conditions for non-teaching staff;
 4. Must select as well as appoint the headteacher and any deputy headteachers, but may delegate selection of other staff;
 5. Must ensure that anyone they consider appointing as a teacher meets statutory standards for qualifications and health and has not been barred from teaching. They should also ensure that police checks are carried out for appointments to any post with substantial unsupervised access to children;

6. May only employ licensed teachers or overseas trained teachers with permission from the Secretary of State;
7. Must observe the statutory rules for teacher's pay and conditions of service unless the school has formally opted out of these.
8. Must establish disciplinary rules and procedures for staff, including appropriate procedures to deal with staff discipline and appeals against dismissal;
9. Must report the dismissal of any teacher for misconduct to the Secretary of State;
10. Are responsible for ensuring that the school complies with arrangements for teachers appraisal.
11. Must fulfil the duties of an employer under the Teacher's Pension Scheme and the Local Government Pension Scheme;
12. May allow eligible staff to take early retirement and decide how much enhancement to allow;
13. Must comply with relevant parts of employment law;
14. May be required to appear before an Industrial Tribunal to defend their collective action.

Delegation And COMMITTEES

Boards should develop and maintain a scheme of delegation to define explicitly at which level each of its functions will be exercised – at board level, by a committee, or by a named individual. This will help everyone to understand the division of responsibilities. A template (Appendix 2), such as the one produced by the [National Governors' Association](#), may be a helpful starting point. Each individual or committee to which functions have been delegated should have a terms of reference that records their remit and decision making powers. These should be reviewed at least annually.

GOVERNING BODY DECISION PLANNER

A well organised governing body can spread its workload by setting up committees and delegating tasks to these committees, or in some instances to individuals. Governing bodies are accountable in law for all major decisions about the school and its future. However, this does not mean that they are required to carry out all the work themselves. For example; governing bodies have a responsibility to ensure that their schools have a pay policy, but they would not be expected to draft it themselves. This task can be delegated to a member of the school staff or the governors could use a model policy produced by the local authority. The governors will then discuss and amend/endorse and adopt the policy as necessary. The same principle can be applied to the production of any required policy.

THIS PLANNER SHOWS TO WHICH LEVEL THE GOVERNING BODY MAY LEGALLY DELEGATE FUNCTIONS

KEY

Level 1: Full governing body

Level 2: A committee of the governing body

Level 3: An individual governor

Level 4: Headteacher.

Column blank: Action could be undertaken by this level.

Column blocked off: Function cannot be legally carried out at this level.

Governors must remember that although decisions may be delegated, the governing body as a whole remains responsible for any decision made under delegation

Key Function	No	Tasks	Decision Level			
			1	2	3	4
Budgets	1	To approve the first formal budget plan each financial year	✓	✓		
	2	To monitor monthly expenditure.	✓	✓		✓
	3	To establish a charging and remissions policy	✓	✓		
	4	Miscellaneous financial decisions	✓	✓	✓	✓
	5	To enter into contracts (GB may wish to agree financial limits)	✓	✓	✓	✓
	6	To make payments	✓	✓	✓	✓
Staffing	7	Headteacher appointments (selection panel)	✓			
	8	Deputy appointments (selection panel)	✓			
	9	Appoint other teachers	✓	✓	✓	✓
	10	Appoint non teaching staff	✓	✓	✓	✓
	11	Agree a pay policy	✓	✓	✓	

	12	Pay discretions	✓	✓	✓	
	13	Establishing disciplinary/capability procedures	✓	✓	✓	✓
	14	Dismissal of headteacher	✓	✓	✓	
	15	Dismissal of other staff	✓	✓	✓	✓
	16	Suspending head	✓	✓	✓	
	17	Suspending staff (except head)	✓	✓	✓	✓
	18	Ending suspension (head)	✓	✓	✓	
	19	Ending suspension (except head)	✓	✓	✓	
	20	Determining staff complement	✓	✓	✓	
	21	In voluntary and foundation schools to agree whether or not the Chief Education Officer/diocesan authority should have advisory rights	✓	✓	✓	
	22	Determining dismissal payments/early retirement	✓	✓	✓	
Curriculum	23	Ensure National Curriculum (NC) taught to all pupils and to consider any disapplication for pupil(s)	✓	✓	✓	✓
	24	To establish a curriculum policy				✓
	25	To implement curriculum policy				✓
	26	To agree or reject and monitor curriculum policy	✓	✓	✓	
	27	Responsible for standards of teaching	✓	✓	✓	✓
	28	To decide which subject options should be taught having regard to resources, and implement provision for flexibility in the curriculum (including activities outside school day)	✓	✓	✓	✓
	29	Responsibility for individual child's education	✓	✓	✓	✓
	30	Provision of sex education – to establish and keep up to date a written policy	✓	✓	✓	✓
	31	To prohibit political indoctrination and ensuring the balanced treatment of political issues	✓	✓	✓	✓
	32	To establish a charging and remissions policy for activities (non NC based)	✓	✓	✓	✓
Performance Management	33	To formulate a performance management policy	✓	✓	✓	✓
	34	To establish a performance management policy	✓	✓	✓	
	35	To implement the performance management policy	✓	✓	✓	✓
	36	To review annually the performance management policy	✓	✓	✓	
Target Setting	37	To set and publish targets for pupil achievement	✓	✓	✓	✓
Discipline/Exclusions	38	To establish a discipline policy	✓	✓		

	39	To review the use of exclusion and to decide whether or not to confirm all permanent exclusions and fixed term exclusions where the pupil is either excluded for more than 15 days in total in a term or would lose the opportunity to sit a public examination. (Can be delegated to chair/vice-chair in cases of urgency)	✓	✓		
	40	To direct reinstatement of excluded pupils (Can be delegated to chair/vice-chair in cases of urgency)	✓	✓		
Admissions	41	To consult annually before setting an admissions policy (but in community and controlled schools only where the LA has delegated this power to the governing body)	✓	✓		
	42	To consult annually before setting an admissions policy (VA and Foundation schools)	✓	✓		
	43	To establish an admissions policy (special schools where pupils do not have a statement) acting with LA	✓	✓		
	44	Admissions: application decisions (but in community and controlled schools only where the LA has delegated this power to the governing body)	✓	✓		
	45	Admissions: application decisions (VA, Foundation and special schools)	✓	✓		
	46	To appeal against LA directions to admit pupil(s) (Voluntary, Foundation and special schools; also community and VC schools where LA is the admissions authority)	✓	✓		
Religious Education	47	Responsibility for ensuring provision of RE in line with school's basic curriculum (all schools) NB this must fall into line with locally agreed syllabus	✓	✓	✓	✓
	48	Decision to revert to previous RE syllabus (Foundation Schools except VA of religious character)	✓	✓	✓	✓
	49	Decision to provide RE according to trust deed/specified denomination in VA schools with religious character (Foundation and VC schools of religious character at request of parents)	✓	✓	✓	✓
	50	Decision to provide RE in line with locally agreed syllabus (VA schools – only if parents request it. All other schools not covered in 49 above)	✓	✓	✓	✓
Collective Worship	51	In all maintained schools to ensure that all pupils take part in a daily act of collective worship (after consulting GB)				✓
	52	To make application to the advisory councils, SACRE, concerning the				✓

		requirements for collective worship (schools without a religious character) to disapply after consulting GB)				
	53	Arrangements for collective worship (schools without religious character after consulting GB)				✓
	54	Arrangements for collective worship in Foundation schools of religious character, VC or VA schools (after consulting head)	✓	✓	✓	
Premises & Insurance	55	Buildings insurance and personal liability– GB to seek advice from LA, diocese or trustees where appropriate (it is suggested that the GB as a whole should be involved in this decision)	✓	✓	✓	
	56	Developing school buildings strategy or master plan and contributing as required to LA Asset Management Planning arrangements (it is suggested that the GB as a whole should undertake this decision)	✓	✓		
	57	Procuring and maintaining buildings, including developing properly funded maintenance plan	✓	✓		
Health & Safety	58	To institute a health and safety policy (in community and VC schools this would be the LA)	✓			
	59	To ensure that health and safety regulations are followed	✓	✓	✓	✓
School Organisation	60	To publish proposals to change category of school	✓	✓		
	61	Proposal to alter or discontinue voluntary foundation or foundation special school	✓	✓		
	62	To set the times of school sessions and the dates of school terms and holidays except in community and VC schools where it is the LA	✓	✓	✓	
	63	To ensure that the school meets for 380 sessions in a school year	✓	✓	✓	✓
	64	To ensure that school lunch nutritional standards are met where provided by the governing body.	✓	✓	✓	✓
Information For Parents	65	To prepare and publish the school prospectus	✓	✓	✓	✓
	66	To prepare and publish the school profile	✓	✓	✓	✓
	67	To ensure provision of free school meals to those pupils meeting the criteria	✓	✓	✓	✓
	68	Adoption and review of home-school agreements	✓	✓	✓	✓
	69	To publish online details of how the school has used Pupil Premium				✓
GB Procedures	69	To draw up instrument of government and any amendments thereafter	✓			

	70	To appoint (and remove) the chair and vice-chair of a permanent or a temporary governing body	✓			
	71	To appoint and dismiss the clerk to the governors	✓			
	72	To hold a full governing body meeting at least three times in a school year or a meeting of the temporary governing body as often may require	✓			
	73	To appoint and remove community or sponsor governors.	✓			
	74	To set up a Register of Governors' Business Interests	✓			
	75	To approve and set up a Governors Expenses Scheme	✓	✓	✓	✓
	76	To discharge duties in respect of pupils with special needs by appointing a "responsible person" in community, voluntary and Foundation Schools	✓	✓	✓	
	77	To consider whether or not to exercise delegation of functions to individuals or committees	✓			
	78	To regulate the GB procedures (where not set out in law)	✓			
Federations	79	To consider forming a federation or joining an existing federation	✓			
	80	To consider requests from other schools to join the federation	✓			
	81	To leave a federation	✓			
Extended Schools	82*	To decide to offer additional activities and to what form these should take	✓			
	83	To put into place the additional services provided	✓	✓	✓	✓
	84	To ensure delivery of services provided	✓	✓	✓	✓
	85	To cease providing extended school provision	✓			

**FINANCIAL DELEGATION
HEADTEACHER/OTHER STAFF**

	MEMBER OF STAFF	FROM (DATE)	MEMBER OF STAFF	FROM (DATE)
CREDITOR PAYMENTS Checking Approving				
INVENTORY Annual Review				
PAYROLL Teachers Variations to non standard data				
OTHERS Timesheet certification Etc				

8. INCOME AND BANKING

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Bank Account Scheme for Schools
Council's Financial Procedure on Banking and Cash Management
Council's Financial Procedure on Charging for Goods and Services
Council's Financial Procedure on Debt Recovery
Taxation & VAT Guide

OVERALL RESPONSIBILITIES

2. The headteacher will have overall responsibility for ensuring that all official income is identified, efficiently collected, properly accounted for, securely stored and promptly banked.
3. The Governing Body has responsibility for establishing a charging policy and, when appropriate, any associated scales of charges, reviewing the policy annually and minuting that policy. The headteacher will submit a report each year to the Governing Body to enable this review to be carried out.
4. The headteacher has delegated certain responsibilities as defined in this document, complying with the principles that the member of staff administering an income system and issuing invoices shall not also be responsible for the receipt of that income.
5. () will have overall responsibility for ensuring VAT is correctly calculated and added to charges when appropriate, in accordance with the latest VAT Guide and other advice given. Where there is uncertainty, () will seek guidance from the LA.

INCOME RECORDS

6. All official income received or collected locally will be summarised and entered promptly in an Income Cash Book by (), who will ensure all income is totalled and banked in full by () as soon as possible. () will be responsible for ensuring the safe custody of all income before banking and that the sums held do not exceed insurance limits. The minimum contents of the Income Cash Book are shown at Appendix 1. *The school to attach its own version (manual or hard copy of the computer system as appropriate).*
7. The income will be entered in the school's accounting system by ().
8. Bank paying-in books will be controlled by ().
9. () is responsible for ensuring that subsidiary income records e.g. sales books, are in use and are used to record the transactions undertaken.

Delete any of the following that do not apply:

10. Sales books in a format approved by () will also be maintained for the following sales – *(specify types of sales and who is responsible)*. An example of a page from the sales book is attached at Appendix 2. *(School to attach its own Sales Book page)*.
11. A record sheet will be placed by the photocopier for staff to record private photocopying, see Appendix 3. () is responsible for collecting the charges from staff every () at the rate agreed in the scale of charges approved by the Governing Body.

When official telephone line extensions, are permitted to be used for private calls, include the next paragraph:

12. A private telephone call Log Book will be provided to all staff by (). () will collect private telephone call charges every (), in accordance with the scale of charges agreed by the Governing Body, and pass the income to () for banking, who will initial for it and enter the date.
13. All other income will be passed promptly to () for recording in the Income Cash Book and banking by ().

DEBTORS ACCOUNTS

14. Payment will normally be required in advance but in circumstances agreed by () invoices will be issued to debtors. These circumstances are: *(give details. Note: The preferred solution would normally be payment in advance)*. Prior to extending the credit period through invoicing, ()

will be responsible for considering whether the prospective debtor will pay. The credit history of the debtor should be considered.

15. Only invoices available from the Section 151 Officer via the schools website which have been personalised for the school and sequentially numbered in accordance with the Financial Regulations will be used, or a school's own numbered accounts to a design approved by the Section 151 Officer. These accounts will be obtained and controlled by (), who will not be directly responsible for the receipt of the payment of the invoices.
16. The copy invoice will be filed by () on the () file.
17. () is responsible for monitoring of all outstanding debts to the school and sending reminders to the debtor after payment is outstanding for more than one month.

School inserts here its approved policy for dealing with recovery of debts still outstanding after this reminder, which could include further reminders, personal letter from headteacher, direct contact by telephone call, email, fax etc.

18. When invoices are paid, they are filed on the () file by () in invoice number order.
19. If further difficulty is encountered in recovering the income, () will seek the advice of the LA's Legal Advisors in the first instance or follow the policy of the Governing Body in relation to seeking legal advice, taking court action etc. in the recovery of debts.

WRITE OFFS

20. () will be responsible for reporting debts due to the school's budget to the Governing Body for write-off approval up to the level stipulated in the Financial Regulations for Schools.
21. () will promptly supply the Section 151 Officer with a copy of the resolution of the Governing Body that debts have been written off.
22. For debts over the stipulated level, () will refer details of the cases to the Section 151 Officer for consideration and approval.

LETTINGS

23. () produces a report for the Governing Body annually on a review of the lettings policy and scale of charges for the next year.

24. All lettings will be approved in advance by () using the standard form attached at Appendix 4. *Attach a suitable form. External lettings invoices are available from the Schools learning portal and should be personalised for the school and sequentially numbered in accordance with the Financial Regulations. School should say whether it is using these or has chosen to design and use their own which meets all the Council's required information.*
25. The lettings diary is maintained by ().
26. All out of school hours activities will be reported to () for inclusion in the lettings diary to avoid double bookings.
27. () will receive provisional bookings and make an entry in the lettings diary. The booking will be confirmed on receipt of a completed booking form.
28. A pre-numbered official invoice will be promptly raised by () and the invoice number entered in the lettings diary and on the booking form.
29. The copy invoice will be filed by () in the Unpaid Invoice file until paid.
30. When payment is received by (), the date will be recorded on the invoice and the invoice filed in invoice number order by ().
31. The Site Agent will liaise with () weekly on the lettings for the current week.

POSTAL REMITTANCES

32. Provision will be made by () for the receipt of remittances by post. Post opening arrangements should involve the following member(s) of staff - (*ideally two if available*).
33. Each remittance must be recorded by () in a Postal Remittance, recording the date, name of sender, purpose, amount, nature of income and signature of person opening the post.
34. At the end of the post opening process, the documentation accompanying the remittances will be endorsed with the amount received by () and passed to () who will sign for the income and arrange banking.
35. The associated remittances will be passed by () to () for banking.

TRANSFERS OF MONEY

36. Any transfers of money belonging or due to the school or authority between one member of staff and another should be acknowledged by the issue of a receipt or, in appropriate cases, by signatures in cash accounting records.
37. Cash should not be transferred between staff in the school by internal post systems or similar means in circumstances where it is not in the personal custody of one member of staff who has signed for it after checking the amount handed over.

RECEIPTS

38. Official Miscellaneous Receipt Books will be obtained and kept securely by ().
39. Receipts will be issued by () at the time income is received, when such an acknowledgement is required.
40. Any stock of receipt books held in advance of issue to staff will be stored securely by () who will maintain a record of such stocks and the issue of each book.

CASH REGISTERS *(delete if not in use)*

41. Only () will operate the cash register(s) under the control of ().
42. The operator will only have access to the key that allows sub-total readings for balancing purposes. The key used to clear the machine totals will be kept securely by (), who must not operate the till.
43. Where it is necessary to have more than one operator, the till readings should be taken and the cash agreed at the time of handover of responsibilities.
44. Refunds should not be made through the cash register. Any necessary refunds should be referred to (), who will arrange for payment.
45. The use of the void facility should be controlled. When it is necessary to void an entry, the customer receipt must be retained and the action authorised by (). Any manual alterations to the till roll must be agreed by () and initialled by the operator and ().
46. The cashing of personal cheques is not permitted in any official money.
47. At the close of business, all cash should be counted by the operator and agreed with the sub-total reading after deducting any float. Any discrepancy will be reported to () for investigation. The slip produced by

the machine detailing the reading should be retained and kept securely by (). (*Delete last sentence if till will not produce a printed record and insert a requirement that the amount is recorded on a form devised for the purpose.*)

48. The cash should then be passed to () to be kept securely in the safe prior to banking. () will sign for it and enter the date.
49. (), who holds the key to reset the till, should take a reading to reconcile the total cash received to the amount about to be banked. The total reading should agree with the individual sub-total readings taken by the till operator each day. The reconciliation should be signed and dated.
50. A collection and deposit record should be maintained by (), which records the following:
 - Date
 - Machine receipt numbers (opening and closing)
 - Income collected (as reset total reading) analysed as required
 - Income banked
 - Any surplus/deficiency
 - Signature.
51. Complete till rolls must be retained securely. See also Retention of Documents section.

BANKING OF INCOME

52. All income collected must be banked in total without any deductions. () is responsible for keeping the Income Cash Book and ensuring that banking take place regularly (*normally fortnightly*) or before the insurance limit for the safe is reached if earlier. No personal cheques are cashed from official income.
53. The paying-in book will be completed by (), who agrees the total with the Income Cash Book entry. All income received up to the date of banking will be deposited intact with the paying in book signed by the person carrying out the banking.
54. All cheques received will be entered in detail on the bank paying-in slip and counterfoil. showing the amount of each cheque and details of what it relates to.
55. () will ensure that adequate precautions are taken by staff taking income to the bank to safeguard themselves and the income when in transit. Anyone who is handling money and either collecting from or delivering

to the bank or local authority payments office will have a risk assessment carried out on this aspect of their role,

The standards in place are the minimum standards only and additional precautions should be taken wherever possible, such as varying routes, timings and vehicles for any routine carrying.

Include the following four paragraphs and delete the previous paragraph if a Security Collection Company is used:

56. () and () will be responsible for agreeing the amount for collection as recorded on the paying-in slip and in the Cash Book. () will sign the copies of the paying-in slip, the top copy of which is enclosed in the sealed security bag with the income pending collection. Both copies of the paying-in slip will record the security bag seal number.
57. () will ensure that the seal is properly engaged so that it cannot be opened in the course of transit.
58. In advance of handing over the income to the Security Company, () will inspect the identity of the representative on each occasion.
59. () will ensure a receipt is received from the Security Company representative clearly recording the number of security bags collected and their respective seal numbers. The receipt will be attached by () to the copy paying in slip to which it relates.

SECURITY AND RETENTION OF DOCUMENTS

60. () will be responsible for ensuring that all documentation, including bank statements, reconciliations, cheque books and counterfoils, paid cheques and other bank account records are retained securely.
61. Full current details of retention periods for all documents is included in this Manual at Section 19

LETTINGS APPROVAL FORM

_____ School

Application for the Use of School Premises

(To be returned to the School)

Please read notes overleaf.

NAME OF APPLICANT.....Tel. No.

On behalf of (Name of Society – self)

.....

Address.....

.....

PARTS OF PREMISES REQUIRED (See note 1)

.....

.....

.....

IF SCHOOL KITCHEN IS REQUIRED FOR COOKING PLEASE GIVE CATERERS
DETAILS (There may be an extra charge for full use of facilities)

.....

Days/dates of hire

.....

Hours of hire: From..... **NO access** to premises before this given time

To Premises **will be locked** at this given time

Purpose of hiring

.....

Approximate number attending

.....

Other relevant information

.....

Indemnity Insurance: Policy No.

Company.....

I/We apply to use, and if granted use, agree to hire the parts of the premises mentioned
above, **subject to the conditions and notes overleaf, together with the conditions of**

hire outlined in the school lettings policy, which I/we have read and with which, I/we agree to comply. Should there be a breach in these conditions the School will not be held liable for any damage to persons or property and will seek recompense from the individual.

Applicant's signature Date
.....

Agreed by Charge £

1. Hirers should indicate **exact** accommodation required – e.g. Hall, Hall and Reception, Classroom, Toilets, Kitchen etc and state if any equipment is required – e.g. piano.
2. If a licence is needed – e.g. performing rights, alcohol licence etc the hirer must make an application to the appropriate licensing authority at least 21 days before the event. **The school will not be held responsible for a breach in licensing laws.**
3. The hours of hiring **must allow time** for preparing for the event –e.g. DJ setting up equipment, and for effective clearing up afterwards.
4. **The site cannot be left unattended.** If the hirer needs to vacate the Hall for any period (including setting up time) during the Letting, the Site Agent must be informed and must lock the premises and subsequently unlock them on the hirers return. If this occurs there will be a charge within the final cost.
5. The area should be left **clean and tidy** and in the condition it was in at the start of the letting. If the Site agent has to clean up there will be an extra charge. If the Hirer wishes to arrange for cleaning to be done with the Site agent they must do this in advance with an agreed price at the outset.
6. **The hirer must be able to show they are insured.** This is the responsibility of the Hirer and not the School. The hirer must be able to indemnify the Governing Body of the School if it has to repair, replace or make good any part of the School premises or contents which may be lost, damaged or destroyed as a result of use.
7. The hirer should familiarise themselves with escape routes and the position of Fire Alarms and Fire extinguishers. They should ask the Site Agent to show the position of these. If the area does not have emergency lighting the hirer should appoint a steward to be aware of the availability of the torch. **If there is a fire the hirer should attempt to call the Fire Service.**
8. Casual hirers will be charged for the use of the premises if they do not give more than **3 days** notice of a cancellation.
9. The school will give a term's notice to terminate the agreement and obtain back the use of the accommodation.
10. The applicant or group is required to provide third party insurance cover.
11. No consent has been granted for the putting up of posters and other items on the walls.

NO SMOKING POLICY

As a school, we have a responsibility to children, staff, parents and visitors to provide a clean, healthy working environment. We also recognise the need to promote a healthy life style. Smoking has been identified as a major risk to good health. We therefore believe that to allow smoking within the school would be a direct contravention of our healthy school philosophy.

To this end:

1. There will be no smoking in any part of the school buildings at or grounds at any time.
2. Hirers of school premises will ensure that the no-smoking policy is implemented during the period of hire.
3. No smoking signs will be displayed within the building.

Monitoring

The site supervisors will monitor and report to the Head Teacher any breach of this policy.

9. INSURANCES

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Financial Regulations for Schools
Schools Financial Value Standard
Council's Financial Procedures on Insurance and Risk Management.

2. This document supports the sections of Financial Regulations for Schools on Insurances.

OVERALL RESPONSIBILITIES

3. The Governing Body has overall responsibility for ensuring adequate insurance cover is in place for all identified insurable risks.
4. The Governing Body has delegated certain responsibilities as defined in this document.
5. The Governing Body will review the adequacy of the school's insurance arrangements on an annual basis. () is responsible for identifying all insurance issues and preparing the report to the Governing Body each year.

Use the next section if the school utilises Council insurances and delete the later section:

INSURANCE ARRANGEMENTS *(using Council insurances)*

6. The school uses the insurances negotiated and managed by the Council. () is responsible for arranging all insurances with the Section 151 Officer, including notification of all risks, property and vehicles which are required to be insured and seeking technical advice on insurance matters.

7. () will ensure all staff are kept informed of the insurances in force and the arrangements for notifying claims or potential claims.
8. Claims for any loss, liability, damage or other event likely to lead to an insurance claim will be immediately notified to (). () will then promptly notify the Section 151 Officer in the form specified. () is responsible for maintaining and providing all documentation in relation to the claim.
9. Estimates, where appropriate, will be obtained by (). () will be responsible for obtaining permission from the Insurance Section within Central Bedfordshire Council for work etc to be carried out.

Use the next section if delegation of funds for insurance has been requested and own arrangements made. Delete previous section.

INSURANCE ARRANGEMENTS (arranging own insurance)

10. The school has funds for insurance delegated and arranges its own cover. Prior to the start of the financial year, () is responsible for the negotiation of insurance cover as determined by the Governing Body, periodically ensuring best terms are obtained competitively and seeking technical advice on insurance matters from suitable insurance companies or brokers. () will demonstrate to the Section 151 Officer that cover relevant to the LA's insurable interests, is at least as good as the relevant minimum cover arranged by the LA.
11. () will ensure all staff are kept informed of the insurances in force and the arrangements for notifying claims or potential claims.
12. Claims for any loss, liability, damage or other event likely to lead to an insurance claim will be immediately notified to (). () will then promptly notify (*broker/insurance company*) in the form specified.
13. Estimates, where appropriate, will be obtained by (). () will be responsible for obtaining permission from the (*broker/insurance company*) for work etc to be carried out.

SECURITY AND RETENTION OF DOCUMENTS

14. () will have overall responsibility to ensure that all insurance records are kept securely.
15. Full current details of retention periods for all documents are included in this Manual at Section 19.

10. INTERNAL AND EXTERNAL AUDIT

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Council's policy on Confidential Reporting (also known as 'Whistle Blowing')
Council's Anti-Fraud and Corruption Strategy

OVERALL RESPONSIBILITIES

2. The Governing Body has overall responsibility for:
 - 2.1 monitoring the adequacy of the systems of internal control
 - 2.2 consideration of Internal Audit reports
 - 2.3 approval of action plans in response to Internal Audits
 - 2.4 monitoring the implementation of the approved action plans.
3. Responsibility is delegated to the headteacher for:
 - 3.1 the day to day maintenance of systems of internal control
 - 3.2 facilitating internal audits
 - 3.3 the production of draft action plans in response to Internal Audits
 - 3.4 the implementation of action plans
 - 3.5 responding to Internal Audit reports.

BACKGROUND

4. The school's financial records are subject to audit in the following ways:
 - 4.1 External Audit is currently provided Ernest & Young LLP , who may be contacted via the Central Bedfordshire Council Offices at Priory House, Monks Walk, Chicksands, Shefford, Beds. SG17 5TQ
 - 4.2 Internal Audit is provided through the Section 151 Officer and the Council's Chief Finance Officer. On a day to day basis, Internal Audit is managed by the Head of Audit. The unit is currently based at Technology House and can be contacted on 0300 300 6155.
5. In addition to the above, the school may, at its own expenses, obtain separate external audit certification of the school's annual accounts. In relation to public money, the opinions of the External Auditor, and the Section 151 Officer as represented by Internal Audit, will be those that schools shall adopt.

PREPARATION FOR AUDIT

6. Under normal circumstances, the school will be given notice of the intention for an internal audit to be conducted of at least two weeks.. This notification will include details of the documents that the school will need to make available for the audit to be successfully completed within the timescales allowed. Details are also given of the staff that auditors may need to have contact with during the audit. The notification will give details of the auditors who will be conducting the audit. The liaison officer to act between the school and Auditors is (). Appropriate staff within the school will be notified of any planned audit visit by ().
7. The objective of any audit is to test the adequacy of the school's internal control procedures and to bring assurance to the headteacher, the Governing Body and the Section 151 Officer on the systems in place. For the audit to be successful the auditors will need to be afforded facilities and right of access at all times, and to examine any financial transactions, documents, procedures, computer data, the IT system ,if necessary, on a read only basis, and any other records that the auditor requires for the purpose of the internal audit.
8. () is responsible for asking auditors for suitable identification prior to allowing them access to records.
9. It may be necessary for auditors to remove original records. In these circumstances, the auditor will give a receipt to () for the documents removed.

CONCLUSION OF THE AUDIT

10. The general conclusions of internal audits are normally discussed with the headteacher through a closure meeting at which point an action plan would normally be agreed.
11. Under normal circumstances, the school will be issued with a draft audit report for consideration by the headteacher, in terms of its accuracy.
12. Internal Audit will issue a final report following the above consultation and it will be distributed as follows:
 - Headteacher
 - Chair of Governors
 - Schools Finance Manager.
 - Director of Children's Services
13. Reports will carry an opinion, which will be based on the schedule of standard opinions available to auditors when compiling reports. The outcome of internal audit reviews are routinely reported to the Audit Committee. Follow up audits will be undertaken where it is considered necessary.

SCHOOL'S RESPONSE TO INTERNAL AUDIT REPORTS

14. The headteacher will present a copy of the internal audit report to the governors through the (*Finance Committee or equivalent or full Governing Body*).
15. In presenting the internal audit report the headteacher will provide governors with a draft action plan for their approval, which addresses the recommendations made in the report.
16. Following the Governing Body's approval of the action plan, a copy of the plan will be sent by () to Internal Audit, as a response to the audit report.
17. In circumstances where there is a significant weakness displayed in the systems of financial control, a follow up internal audit will be conducted to test that action on original weaknesses has taken place and this will normally be within six months of the original audit.
18. The Headteacher and/or Chair of Governors may be required to attend the Audit Committee to demonstrate how significant weaknesses are to be addressed.

EXTERNAL AUDIT

19. The External Audit of the Council generally concentrates on the Council's statutory accounts. Therefore, regular visits by External Audit to the school are not usually a feature. However, the Council's External Auditor may occasionally undertake a visit, in which case, as with Internal Audit, production of suitable identification should be obtained by () and receipts for any records removed should be obtained. The liaison officer to act between the school and External Audit is ().

IRREGULARITIES

20. In the unusual circumstances that a suspected fraud or other irregularity occurs in the school relating to the school's finances, the headteacher will report the matter immediately to the Head of Audit, having regard to the school's Confidential Reporting Policy. The Head of Audit may thereupon take whatever action is considered appropriate.
21. A written record that such a report has been made by the headteacher will be retained by ().
22. The school shall not carry out any type of investigation into any suspected financial irregularity without the matter having been first discussed by the headteacher with Internal Audit.

CONFIDENTIAL REPORTING (WHISTLEBLOWING)

23. The attention of all staff should be drawn to the Council's Confidential Reporting (Whistleblowing) Policy.
24. Further information may be obtained from the Head of Internal Audit.
25. Useful Contact Details:-

Freephone Fraud Hotline: 0300 300 8182

Email address: tellusaboutfraud@centralbedfordshire.gov.uk

11. INVENTORIES AND SECURITY OF ASSETS

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Council's Financial Procedures on Asset Management,

2. This document supports the sections of Financial Regulations for Schools on Inventories, Security and Stocks and Stores.

OVERALL RESPONSIBILITIES

3. Overall responsibility for the maintenance of the school inventory rests with the headteacher.
4. Day-to-day responsibility for the proper completion and control of inventories has been delegated to (*e.g. departmental heads*).

FORMAT OF THE INVENTORY

5. () is responsible for deciding whether to use a Standard Inventory Book (SIB) or a Computerised Inventory Record (CIR). A decision has been made to use (*if CIR, also include here the software used*).
6. () will decide on the structure of the inventory records in relation to whether they are based on departments and kept departmentally or centrally. It has been decided that the following system will be used:

(describe basis – list here departments/rooms etc and who holds them).

If a number of inventories are held in departments, include the next paragraph:

7. A central index of all inventories will be held by ().
8. All moveable, non-capital assets with a purchase price above £100 will be recorded in the inventory record. In addition, items which are classified as moveable and desirable as determined by (), which may be under this value should also be entered. See Appendix 1.

MAINTAINING THE INVENTORY

9. Responsibility for specific inventories lies with (), who will ensure inventories are in the form described in the SIB, whether using the SIB or CIR, and that they are updated promptly as purchases or disposals arise.

Insert the following single paragraph if CIR is used:

10. () is responsible for ensuring back-up copies of all parts of the CIR are taken regularly and hard copies produced and retained for checking. () will ensure that the opening listing of assets of each hard copy of the data is reconciled with the closing listing of assets of the previous hard copy.
11. The (*SIB or back-up copy of CIR*) must be kept by () in a secure location with a degree of fire protection.
12. All staff with delegated responsibility for maintaining the inventory will ensure items are included in accordance with the suggestions attached at Appendix 1 of this guide. This includes items not only purchased by the school, but which have been gifted or are on long term loan.
13. The person receiving the inventory items is responsible for making an entry in the inventory or notifying () as soon as items are received ensuring a separate entry is made for each item, showing each serial number when available.
14. () is responsible for ensuring all Inventory items are permanently and visibly marked as the school's property.

MOVEMENT OF ITEMS

15. The loan of equipment or removal from the school otherwise in the normal course of the school's work shall be approved by (). A record of all loans and removals will be kept by (), who will

be responsible for ensuring the safe return of equipment within the agreed period of time. A record form is shown at Appendix 2.

16. Items transferred from one set of inventory records to another will be authorised by (). Both sets of records will be amended accordingly by ().

DISPOSAL OF EQUIPMENT

17. When an item is surplus to requirements, obsolete or no longer serviceable, the inventory holder will notify ().
18. The detailed guidance in the Council's Financial Procedures on Asset Management in relation to Sale and Disposal of Surplus Equipment will be followed by (). This will include consultation with the Council's Corporate Procurement Service for items with an estimated residual value of more than £1000.
19. Items recorded in the inventory are only be removed from that record following written authority from the (*headteacher or as delegated*). Where an individual item has a value of £500 or more, the matter shall be reported in full in writing to the Governing Body by the headteacher. An entry will be made in the inventory by (), cross-referenced to the Governing Body resolution or headteacher authority.
20. All proceeds from the sale of items purchased from public funds or donated to the school will be passed to () who will acknowledge receipt of the proceeds by signature and pay them directly into the school's official bank account as income to the school budget.

CHECKING THE INVENTORY

21. All items required to be included in the inventory will be checked against the inventory record at least once a year. This check will involve verifying the existence of each item against the records and taking a sample of purchase records since the last check to ensure items purchased are correctly accounted for.
22. To ensure adequate separation of duties, the person carrying out the check will not be the person who maintains the inventory record. This person will be agreed by ().
23. The date and initials of the member of staff carrying out the check will be entered on each record to indicate that the check has been carried out.
24. When an inventory holder, departmental head or other member of staff with significant responsibility for inventory items leaves or there is a major change of responsibilities, a timely additional inventory check should be carried out.

25. Any discrepancies revealed in an inventory check should be immediately reported to ().

LOSSES OF EQUIPMENT

26. When a loss is discovered due to theft or any other cause, all staff should notify the inventory holder, who will immediately refer the matter to (), with a report of the circumstances. () will examine these circumstances and determine whether a further investigation is necessary.
27. Any loss due to apparent theft should normally be immediately reported to the Police and Internal Audit by ().

SECURITY OF ASSETS

28. () is responsible for ensuring that buildings/rooms considered vulnerable and containing valuable equipment are provided with appropriate security measures. The Council's financial procedure on Risk Management should be consulted.
29. () is responsible for reviewing access controls to all parts of the school buildings and grounds. A log-record should be maintained by () of all staff and visitors' entry/leave times.
30. () is/are responsible for adequate facilities for the safety of valuable items of equipment that need additional security, such as portable computer equipment, which should be locked away when not in use, particularly overnight.
31. The system for access to keys and lock combinations is the responsibility of (), who will ensure the integrity of security arrangements is maintained on a continuous basis. This includes procedures to take keys off the premises outside normal school hours. Failure to do so will invalidate the school's insurance cover.
32. In the case of school vehicles, a Vehicle Log Book will be maintained by the driver and checked by () at least monthly.

SECURITY OF STOCKS AND STORES

33. Responsibility for the custody and control of any consumable stocks, e.g. catering provisions, is delegated to (), who will recommend if stock records are necessary and obtain approval to such records from ().

34. () will ensure that levels of stocks are not in excess of normal requirements.
35. Stock records will be kept in such form that gives sufficient information to ensure receipts and issues can be readily identified.
36. Stocks will be retained in a secure environment with access restricted to staff designated by ().
37. () will arrange periodic test examinations of stocks in hand to ensure all stocks are checked at least annually independently of the storekeeper. A signature will evidence this when this check is carried out. Significant surpluses or deficiencies should be notified in writing by () to the Governing Body.

SECURITY AND RETENTION OF DOCUMENTS

38. () will be responsible for ensuring that all documentation is retained securely.
39. Full current details of retention periods for all documents is included in this Manual at Section 19
40. Where it is necessary to rewrite a Standard Inventory Book, the old one will be kept until approval for its destruction has been received from Internal Audit.

ITEMS SUGGESTED FOR INCLUSION IN INVENTORY

The following list is not an exhaustive list and should only be used as a general guide.

General and Administration

Briefcases	Fans	Heaters	Typewriters
Calculators	Filing Cabinets	Mobile Telephones	Duplicators
Dictating Machines	Fax Machines	Photocopiers	Pictures

Furniture

This should exclude fitted furniture, standard school and college furniture (e.g. desks, chairs, blackboards) but should include attractive item such as staff room and certain officer furniture.

Beds & Mattresses	Easy Chairs	Dressing Tables	Wardrobes
Bookcases	Coffee Tables	Sideboards	

Audio Visual Equipment

Amplifiers & Speakers	Microphones	CD Players	Video Equipment
Binoculars	Printing Equipment	Screens	Radios
Cameras and Photographic Equipment	Tape & Cassette Recorders	Projectors and Viewers	Television Sets

IT Related Equipment

Scanners	Modems	Printers	Servers
Computer Software	Personal Computers	Other Computer Add-ons	

Domestic and Cleaning Equipment

Drills & Attachments (Electric)	Food Mixers & Attachments	& Crockery (valuable items only)	Cookers and Cooker Rings
Washing Machines	Irons & Ironing Boards	Refrigerators	Water Heaters
Coffee Percolators	Kettles	Vacuum Cleaners	Polishers
Pressure Cookers	Ladders & Steps	Sewing Machines	Drying Cabinets

Garden Equipment

Cultivators	Mowers & Rollers	Tractors	Wheelbarrows
Hedge Cutters			

Scientific Equipment

Air Pumps	Battery Chargers	Meters & Gauges	Stop Watches
Balances & Scales	Compasses	Microfilming Equipment	Surveying Equipment
Barometers	Generators	Microscopes	Telescopes

Other Equipment (where sufficiently available)

Aquaria	Carpentry Equipment	Metalwork Equipment	Sports Equipment
Camping Equipment	Engineering Equipment	Musical Equipment	Stage Equipment
Canoes & Sailing Boats	Gymnastic Equipment	Pottery Kilns & Wheels	Table Tennis Tables

RECORD OF EQUIPMENT LOANED OR REMOVED FROM SCHOOL

_____ School

Date of Issue	Details Incl. Serial Numbers	Reason for Issue	Signature of Recipient	Approved by (Signature)	Period of Issue	Returned (Date)	Received by (Signature)

12. PAYROLL

(To be supplemented with any further guidance applicable to the school)

_____ School

INTRODUCTION

1. This document and appropriate extracts of the guidance and instructions listed below will be distributed to all relevant staff carrying out the functions detailed. This is the responsibility of (_____), who will maintain a record of the name, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Council's Schools Personnel Handbook
Council's Financial Procedure on Travel & Subsistence
Bank Account Scheme for Schools

2. This document supports the section of Financial Regulations for Schools on Salaries, Wages and Pensions.

OVERALL RESPONSIBILITIES

3. Overall responsibility for payroll administration rests with the headteacher.
4. The day-to-day responsibilities have been delegated as detailed in this document.
5. (_____) is responsible for ensuring all procedures outlined are current and that any variations to policies and procedures are promptly submitted to the governing body for approval. (_____) is responsible for effecting such changes in procedures.
6. (_____) will ensure a list of authorised officers is maintained. (See Appendix 1). Details and amendments will be given to Human Resources Services Supplier and the Payroll Provider by (_____).

HUMAN RESOURCE SERVICES SUPPLIER

7. The school uses (_____) as the supplier of Human Resources Services, referred to in this document as the 'H.R. Services Supplier'.
8. Overall responsibility for the operation of the H.R. Services Suppliers contract rests with (_____).

NOTE:

The Council requires certain Human Resources information from schools for the completion of statutory and other returns.

All Schools will need to ensure that within these instructions and, also within their contract with the supplier, a clear procedure is in place to provide such information in a complete and timely manner to the Council's H.R. Service. The following paragraph should be inserted within the School's Payroll instructions and where necessary equivalent forms to those used by the Council's supplier inserted/attached to this instruction.

9. () is responsible for ensuring the supply of statutory and other Human Resource information as required by the Council, and ensuring the use of proper equivalent forms.

PAYROLL PROVIDER

10. The school uses () as the supplier of Payroll Services, referred to in this document as the 'Payroll Provider'.

NOTE:

All Schools will need to ensure that within these instructions and, also within their contract with the supplier, that the Procedures and equivalent forms outlined in Appendix 2 attached are clearly outlined and assigned. The following paragraph should also be inserted with the Schools Payroll Instructions.

11. Overall responsibility for the operation of the Payroll Provider Contract rests with (), who also ensures that proper 'equivalent' forms are used to those shown in the Payroll Services School Guide and that the Payroll Providers informed of any relevant changes to terms and conditions of employment for school staff in order to ensure accurate payment of salaries.
12. () ensures that payslips that include all relevant information on the employees pay are provided to all staff by the appropriate payday.

APPOINTMENTS PROCEDURES

13. () is/are responsible for ensuring the adequacy of budget provision before the appointment process commences, and in the case of cover for existing staff, documenting the name of the member of staff absent, reason for absence, dates and timetable for supply teacher requirements and funding source.

14. In the case of supply teachers or other staff cover against existing post holders, () is responsible for monitoring ongoing cost against budget provision and will report any threats to exceed the approved budget for payroll costs to ().
15. () will ensure that, when an individual is engaged who claims self employed status, the procedures detailed in the Central Bedfordshire Council's Management Guidelines on the employment of individuals claiming self employed status is followed for determining whether a person can be classified as self employed or must be treated as an employee.
16. () ensures that on agreement to the appointment of staff the correct notification forms to the H.R. Services Provider and Payroll Provider are used in accordance with the procedures outlined in the Council's Financial Procedures on Payroll and that copies are maintained at the school.
17. Agreement to appointments, issuing of offers and authorisation of the appointment notifications are carried out by the school staff shown at Appendix 1.

PAYMENT PROCEDURES

18. () ensures that in varying payroll standard payment set-ups for an employee (normal for that member of staff), the correct notification forms sent to the H.R. Services Supplier and Payroll Provider are used in accordance with the Procedures outlined in the Council's Financial Procedure on Payroll. They include for example: the Teachers Occasional Supply and Additional Items Monthly Claim Form, Casual Additional Hours for Staff Employed in Schools Form, or the Terminations and Variations of School Supervisory Staff Form (ensuring copies of such completed forms are held at the school).
19. Authorisation of payroll variation notifications is carried out by the school staff shown at Appendix 1.
20. For staff including supply teachers employed through an agency, an invoice will be payable. Staff shown at Appendix 1 will be responsible for checking its accuracy and will be responsible for authorisation prior to payment.

LEAVERS

Permanent Teachers

21. Letters of resignation will be passed to ().. Form "Notification of Termination of Employment" (NTE) will be completed and

authorised as Appendix 1. A copy of the letter and the original NTE will be sent to the H.R. Services Supplier and a copy filed by (.....)

22. Where members of the Teachers' Pension Scheme are retiring, this must be clearly indicated on the NTE so that the Human Resources Unit is prompted to issue retirement form 14PEN.

NJC Staff

23. Letters of resignation will be passed to (.....).. Form "Notification of Termination of Employment (NTE), will be completed and authorised as Appendix 1
24. A copy of the letter of resignation and original NTE will be sent to the H.R. Services Supplier and a copy filed by (.....). The NTE must clearly indicate whether the employee is resigning or retiring and the form marked accordingly in the box provided. Where appropriate, details of annual leave taken must be included and the employee's annual leave card attached to the NTE before submission to the HR Services Supplier in order that any adjustment is made to the final salary payment in respect of excess annual leave taken or annual leave owed.

All Other Staff

25. The box signifying a leaver on form "Return of Appointments, Terminations and Variations of School Supervisory Staff" form should be ticked by (.....) and the procedures involving form NTE as described above should be followed.

Transfers

26. Teachers and other staff transferring between schools will be treated as starters/leavers.

PROMOTIONS, REGRADINGS, ADDITIONAL ALLOWANCES OR CHANGE OF HOURS

NJC Staff

27. Regrading of NJC posts are subject to evaluation by the council's HR Services team, and will subsequently be approved by (.....) and minuted by the Governing Body. Such decisions will be notified by (.....) to (.....), who will ensure an appointment form is authorised and copied as Appendix 1.

Site Agents/Caretakers, Cleaners and Other Manual Staff

28. Changes in terms of employment approved by () will be notified to (). An appointment form will be completed, certified, as Appendix 1, supplied to H.R. and filed by (.....).

ABSENCE REPORTING

29. All staff sickness will be notified by () to (), who will complete a "Monthly Sickness Absence Return" for all monthly paid staff, including a nil return. A copy is sent to the Payroll Provider by () and a second copy to H.R. Services Supplier. A third copy is retained and filed by () on the () file.
30. () will be responsible for ensuring () is notified when an employee returns to work.
31. For all other types of absences, staff should complete "Leave of Absence" forms in accordance with school policy determined by (). The returns will be approved by ().

TRAVEL AND SUBSISTENCE

32. All staff will use the relevant form for claiming expenses relating to school business. .
33. On completion, forms will be passed, signed by the claimant to (.....) who will check eligibility, rates and calculations, complete the expenditure analysis, and check other claim details signifying these checks by initialling the claim, before submission to () for certification. A copy of the claim will be taken by () and placed on file. (.....) will submit certified claims monthly to the Payroll Provider.
34. On completion, forms will be passed, signed by the claimant to () who will check eligibility, rates and calculations, complete the expenditure analyses, and check other claim details signifying these checks by initialling the claim before submission to () for certification. A copy of the claim will be taken by () and placed on file. () will submit certified claims monthly to the Payroll Provider.

EMERGENCY PAYMENTS AND ERRORS

35. Requests to the Payroll Provider for an emergency payment in exceptional circumstances will be authorised in writing by () and retained and filed by () where a delay in documentation is no fault of the employee and this would otherwise cause the employee not to be paid by the due date, or an error has been made which also affects the timing of the payment.

36. When approved, () will contact the H.R. Services Supplier with all the necessary information in order to ensure they are aware of the emergency payment and prevent a duplicate payment. This contact will be confirmed in writing by (), a copy of which will be filed with the original school authorisation for the payment. H.R. Services Supplier will write to the Payroll Provider. Payment cannot be made without the Payroll Provider having all the relevant documentation and memoranda fully completed and authorised.
37. Errors by the Payroll Provider will require () to enquire direct with the Payroll Provider, arrange a corrected payment and keep a log of the discussions and outcome.
38. () will monitor that the effect of the emergency payments and their recovery has been properly reflected on the school's accounting record.

School should insert their own system here for making emergency pay advances from your bank account, including the person authorising the payments and delete the four paragraphs above.

MONTHLY REVIEW OF PAYROLL TRANSACTIONS

39. () is responsible for posting monthly pay details onto the school's accounting record. () is responsible for ensuring that employee charges reflected within the school's accounts are correct and any anomalies are reported to () for investigation.

PAYROLL STANDING DATA VERIFICATION

40. The Payroll Provider will provide the school, on at least an annual basis, with a statement of all employees (salary, grade, hours worked etc) on all payrolls for verification () will ensure this is received and that () carries a detailed check against the school's local accounting system.

RETENTION OF DOCUMENTS

41. () will have overall responsibility to ensure that all payroll records are kept securely.
42. Full current details of retention periods for all documents are included in this Manual at Section 19

SCHOOL									
PAYROLL AUTHORISATION MATRIX (TO BE MAINTAINED AT THE SCHOOL)									
	1	2	3	4	5	6	7	8	9
	NEW APPOINTMENTS			PAY VARIATIONS					LEAVERS
	Agreement to Appointments	Issue of Offers	Appointment Form Authorisation	Copying Standing Variation to H.R. Supplier	Claim Form / Invoice Checking	Claim Form/ Invoice Authorisation	Variation to Hours Claim Authorisation	Copying and Filing Claim Form	Authorisation of Notification to HR Supplier
Teachers –									
• Permanent
• Supply
NJC Staff-									
• Permanent
• Temporary
• Casual
Mid Day Supervisors
Cleaners –									
• Permanent
• Temporary
Site Agents
Clerk to Governors
Others									

NOTE:- ALL AUTHORISED STAFF SHOULD BE NOTIFIED TO H.R./PAYROLL PROVIDER DATE UPDATED.....

APPENDIX 1

PROCEDURES COVERING NON-COUNCIL PAYROLL PROVIDERS

1. () has responsibility for ensuring that the arrangements between the school and the payroll provider are properly and fully covered in a contract document that is in place for the period of the arrangement. () will have day to day responsibility for the proper management of the school's payroll including returns to statutory bodies, data protection, Human Resources issues, notification to the payroll provider of salary amendments, records security and all associated issues.

2. Suitable forms for the notification for all payroll matters will be agreed between () on behalf of the school and the Payroll Provider. All the following forms are attached to this guide.

List each form and its purpose and the Appendix number.

When a form is used that is different to the Council form described in the following guide, then the appropriate form number and description should be substituted along with any different procedures that are necessary.

3. The first contract point between the school, payroll provider and statutory bodies is ().

4. () is responsible for ensuring () has full and continuous training on statutory requirements, employee status and other relevant payroll matters.

5. () is responsible for ensuring the accuracy of statutory and other deductions and payments made to all staff, including the status of employees in relation to national insurance contributions.

6. () is responsible for checking control totals from one payroll run to the next, independently of the Payroll Provider. These will be used to agree changes in activity and values between payroll runs.

7. () will review information from the Payroll Provider for reasonableness before a payroll run is authorised by ().

8. () will analyse the payroll information prior to a posting journal being prepared by () and approved by () to post transactions to the local accounting system.

9. () is responsible for the accurate and prompt pay over of statutory deductions by required deadlines after checking and certification by ().

10. Advice and assistance in relation to queries from employees and statutory bodies will be dealt with by ().
11. Actioning statutory notification such as tax code changes will be carried out by ().
12. () will complete and submit statutory returns by statutory deadlines. These will be authorised by ().
13. Third party claims will be handled and kept by ().
14. () will liaise with the school's banker on payment facilities.
15. () will liaise with the LA and statutory bodies on income tax and national insurance where a member of staff is employed in one or more other LA schools.
16. () will ensure employee and employer pension contributions are effected correctly and sums paid over to the Council by specified deadlines with appropriate returns authorised by (). This will include the Annual Service Returns prepared by () and authorised by () in a format as advised by the Council's Human Resource Service and in accordance with the requirements of Teachers' Pensions.
17. () is responsible for complying with the information required by the Council Human Resources Service, in a form advised. This will be completed by () and authorised by (). A copy shall be taken by () and retained by the school.

13. PETTY CASH ACCOUNTS

(To be supplemented with further guidance applicable to the school)

NOTE: One petty cash account or float taken from the main bank account, will normally be in use for small payments in cash.

_____ -SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Bank Account Scheme for Schools

2. This document supports the sections of Financial Regulations for Schools on Petty Cash.

OVERALL RESPONSIBILITIES

3. () shall obtain the approval of governors through the (*finance committee or as appropriate*) to the overall value of petty cash held within the school.
4. The headteacher has overall responsibility for ensuring there is adequate control over the operation of the petty cash account(s). The list of all authorised petty cash advances is shown at Appendix 1.
5. The headteacher has delegated certain responsibilities as defined in this document.

OPERATION OF ACCOUNT

6. The account will be held on an imprest basis with advances made (*from the school's bank account*). Each "Imprest Holder" as defined in Appendix 1, will be responsible for the operation and control of their account.
7. The amount(s) of the advance(s) should be reviewed periodically by ().

8. Payments in cash up to £xx may be made from the account when a cash payment is unavoidable or advantageous. In exceptional circumstances, requests for payments in excess of this amount, must be submitted to () for approval.
9. The cash float will be held securely by those staff defined in Appendix 1, ensuring insurance requirements are fully complied with and that no personal cheques are cashed from the balance.
10. Receipted vouchers, correctly identifying VAT where appropriate, and authorised by () will be produced to () in support of requests for payment out of the account. A signature will be obtained for all such payments.
11. Reimbursement to the Petty Cash Holder will be supported by the submission of the properly authorised vouchers attached to the reconciliation statement signed and dated by the Petty Cash Holder and listing details of each payment. The Petty Cash Holder will reconcile the account at least monthly to the original advance, taking cash, expenditure vouchers and any claims awaiting reimbursement into account. The reconciliation statement and list of payments will be verified and certified correct by (*not the petty cash holder*).
12. The claim form with vouchers attached will be submitted to (*person within school*) for reimbursement, allowing adequate time to ensure sufficient funds remain in the float.
13. () is responsible for entering the individual payments in the local accounting system.

SECURITY AND RETENTION OF DOCUMENTS

14. () will be responsible for ensuring that all petty cash records are kept securely.
15. Full current details of retention periods for all documents are included in this Manual at Section 19.

_____ School

SCHEDULE OF PETTY CASH ACCOUNTS

Title of Account	Amount of Advance £	Date of Advance	Date of Return	Name of Petty Cash Holder
-------------------------	------------------------------------	----------------------------	---------------------------	--------------------------------------

14. PURCHASING PROCEDURES

(To be supplemented with any further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (_____), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Bank Account Scheme for Schools
Purchasing Card Guidance for Schools
Council's Financial Procedure on Ordering and Receipting of Works Goods and Services
Council's Financial Procedure on Payment for Works Goods & Services.
Management Guidelines – Employment of Individuals Claiming Self-Employed Status
Council's Contract Procedures
VAT Guide

2. The arrangements in this guidance relate to revenue and capital expenditure from official school funds. Separate advice has been given to the school on the procedures to follow and the treatment of capital expenditure.
3. This document supports the sections of Financial Regulations for Schools on Orders for Works, Supplies, Goods and Services and Payment of Invoices.

OVERALL RESPONSIBILITIES

4. Overall responsibility for the administration of purchasing procedures rests with the headteacher. The day-to-day responsibilities have been delegated as detailed in this document.

When invoices are processed centrally insert the following paragraph:

5. (_____) keeps the certifying officers list up to date and promptly notifies the LA of this list and any changes using the official form.

ORDER PROCESS

6. A Purchase Requisition (see Appendix 1) is prepared by the budget holder or other designated member of staff for the goods or services required. This will be in accordance with the school's Authorised Officers List available from (). The budget holder ensures that budget provision exists by completing appropriate boxes, including signing the "Authorised by" box.
7. Only the following staff (*detail which staff*) shall have access to the computer system to generate official orders.
8. The Purchase Requisition is passed to () and will be processed through the computer system by () to produce the official order, all copies of which are signed as shown below.
Insert the following sentence, if appropriate, when goods are not all received at the one central point where the one copy order is retained
 An additional copy of the order will be produced and passed to the department where the goods will be received.
 - 8.1 Orders up to the value of £xx can be signed by ();*delete and amend wording of the next item if not appropriate.*
 - 8.2 Orders from £xx to £xxxx are signed by the headteacher;
 - 8.3 Orders from £xxxx to £60,000 are approved by the Governing Body before signature by the headteacher;
 - 8.4 For orders over £60,000, consider separate advice on tendering procedures.
 - 8.5 Orders over £60,000 are dealt with in accordance with the Council's Standing Orders as attached to Schools Financial Regulations. They are approved by the Governing Body, signed by the headteacher and countersigned by an LA officer.
9. The Purchase Requisition is retained by () and filed in () order. A hard copy of the signed order is filed in () order on the current order file by ().
10. Urgent orders by telephone will be approved by () before being given by () and confirmed immediately by an official order.
11. Orders for goods and services for the private use of staff or other persons are not allowed.
12. There will be invoices where no order has been necessary. These are restricted to utilities and items as defined in Financial Regulations for Schools paragraph 161.

RECEIPT OF GOODS OR SERVICES

- 13. All goods and services will be checked on receipt by () for quality and quantity. The copy order will be signed that checks have been carried out.
- 14. Any shortages, rejected items, inadequate service or any other disputed item of goods or service will be immediately notified to () who will take appropriate action. () will promptly notify the supplier when relevant.
- 15. A separate record of goods returned will be maintained by (), who will monitor the provision of replacements or credits.
- 16. Delivery notes will be signed and passed to ().

PROCESSING INVOICES

- 17. All invoices will be passed to (*central point*), who ensures it is a valid invoice, complies with the requirements of a VAT invoice if VAT is charged, as defined in Appendix 2, attaches any delivery note and stamps the invoice using the official checking/certification stamp. This is shown below:

Order No.	Initials
1. Not previously Authorised	
2. Goods Received (or Work Done)	
3. Quality, Quantity and Prices Correct	
4. Discount Taken	
5. Budget Provision Available	
Invoice certified correct for payment	
..... Authorised Officer	

Either: (delete the one that does not apply)

The checks will be carried out by (* / * / *), who will initial the boxes. (* In defining these staff, bear in mind the need for separation of duties as defined in Financial Regulations for Schools, paragraph 149.

Or:

The invoices will then be distributed to departments where (* / * / *) will complete the checks required by the stamp and initial the boxes before the invoices are returned to (*central point*) by ().

- 18. (*central point*) will pass each invoice to (), the authorised officer, for certification, following the certification procedures given elsewhere, including Financial Regulations for Schools, particularly involving ensuring that the boxes on the stamp have been initialled.

Copy Invoices

19. A copy invoice received will be subjected to a thorough check by (). This will include () examining the payment records to ensure it has not been previously paid. If investigations reveal that the invoice is still outstanding, the normal certification procedures will be followed but () will write and sign a statement on the invoice that it has not been previously passed for payment.

Pre-Payments

20. Where a supplier will only provide goods or services if payment is made in at the time of the order or in advance of receipt of those goods or services, such an arrangement will be agreed by () for routine payments, such as subscriptions, up to (e.g. £500). For charges over (e.g. £500), such arrangements should be only entered into in exceptional circumstances with the approval of (*headteacher recommended*), who will receive a report in writing of the reasons, after establishing the suitability of the supplier to this arrangement.
21. () will closely monitor the progress of all such orders and will ensure that a full VAT invoice has been received to support any claim for reimbursement of VAT. Particular reference should be made to the VAT Guide in respect of payments in advance and the VAT position.

Credit Notes

22. If a credit note is expected, () will be notified who will ensure the invoice to which it relates is held and the invoice and credit note then processed together by ().
23. If there is a credit note with no invoice likely to be available in the short term to offset it, () can hold the credit note until the supplier is used again or contact the supplier and request a cheque to clear the credit note.

Prompt Payment Discounts

24. All staff receiving an invoice are responsible for examining it to see if any discounts are available for early settlement. When such a discount is available the invoice should be passed without delay to () who will process it promptly and reduce the invoice total by the discount offered.

PAYMENT PROCESS

25. Cheques will be stored securely in the school safe and controlled by (). The following staff only will have access to the safe (*titles*). The following staff only will have access to the (*school office/finance office etc*), which will be locked when not in use.

26. Cheques will be produced every (*frequency/day*). The (*post title*) will record the invoice number, cost of goods/services, VAT and total of the invoice, date paid and cheque number on the local software.
27. Cheques are prepared by (), who has access to their secure storage. The invoices and cheques are passed to the appropriate cheque signatories as defined in the approved scheme of delegation.
28. Cheques up to £xxx (*no more than £250*) will be signed by one person. Cheques over £xxx will be signed by two persons from (*list members of staff/title*). *NOTE: Schools that are part of the overall Council banking arrangement should insert instructions here that copies of the Bank Mandate, as and when it is updated, should be sent to Exchequer Services..*
29. The signatories will check the invoices against the cheque for value and reasonableness before signing the cheques.
30. All invoices and cheques are returned to () for filing the invoices in cheque number order and posting the cheques with remittance advices to the creditors.
31. The copy orders are finally filed in the () file in order number.

Paragraphs 32 to 41 should be deleted if the school does not use BACS payments

32. The following staff only will have access to BACS (*titles*).
33. BACS payment files will be submitted (*frequency/day*). The (*post title*) will record each invoice number, cost of goods/services, VAT, total of the invoice and date of remittance on the local software. () will also be responsible for recording and updating supplier bank sort codes and account numbers on the local software.
34. BACS files are prepared by (). A signed hardcopy of the BACS file is passed to the appropriate signatory as defined in the approved scheme of delegation, together with signed local system reports listing any new or updated supplier bank details.
35. BACS payments totalling £xxx (*no more than £250*) or less will be authorised by one person. BACS payments over £xxx will be authorised by two persons from (*list members of staff/title*).
36. The signatories will check the invoices against the BACS payment file for value and reasonableness before authorising the payments by signing the hardcopy. The signatories will also countersign the reports listing any new or updated supplier bank details after checking for accuracy.
37. All invoices, BACS payment files and supplier bank reports are returned to () for processing.

38. The signed supplier bank reports will be filed by () in alphabetical order.
39. The BACS payment file will be submitted to the BACS bureau / the school's bankers by (), as defined in the approved scheme of delegation. () will also email or post remittance advices to the relevant suppliers.
40. The invoices will be filed with the relevant hardcopy BACS file, in chronological order according to payment date.
41. The copy orders are finally filed in the () file in order number.

Self-Employed Contractors

42. In respect of self-employed persons, () is responsible for checking that the Council's Management Guidelines on the Employment of Individuals Claiming Self-Employment Status is followed, that the person fulfils all of the criteria set out in the guidance and that the Tax Office is contacted as necessary. The Self-Employed Status Certificate is shown at Appendix 3. If there is any doubt the person will be paid through the schools normal payroll.

Construction Industry Scheme

43. () will ensure that the CIS scheme issued by the Council, will be followed. NB From 5th April 2007 where a contract is between the school/governing body and the subcontractor (i.e. not with the Local Authority) CIS reporting is not required.
44. Where CIS reporting is required () will inform the subcontractor of the link between schools and the Local Authority, i.e. that the Council could pay their invoice, and therefore require tax details in order to release payment legally.

PURCHASING CARD (if applicable)

45. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents related to Purchasing Card.
46. () is the card holder. The single transaction limit is £xxxx and the monthly limit is £xxxx

47. The '**Authorisation to Pay by Purchasing Card**' form, Appendix 4, is completed by the individual requesting the goods/services. Following the receipt of authorisation to use the Purchasing Card the cardholder () will complete the **Purchasing Card Daily Transaction Log** Appendix 5 recording all transactions associated with the use of a purchasing card.
48. () will check transaction on the purchasing card statement with the individual '*Authorisation to Pay by Purchasing Card*' form. When completing the bank reconciliation schools must ensure that the correct amount has been charged to the bank statement.

SECURITY AND RETENTION OF DATA AND DOCUMENTATION

49. () is responsible for producing regular back up disks of data from the financial software system and ensuring that a separate disk is held for each financial year. () ensures that they are stored securely away from the school.
50. () is responsible for ensuring that all documentation associated with tenders, quotations and payment of invoices is stored securely.
51. Full current details of retention periods for all documents is included in this Manual at Section 19.

SCHOOL

PURCHASE REQUISITION

DATE	DEPARTMENT	BUDGET ALLOCATED	SPENT TO DATE
------	------------	------------------	---------------

I have checked that there is provision in my department budget for the items listed.	AUTHORISED BY (Head of Dept)
--	---------------------------------

SUPPLIER: _____ ADDRESS _____	SPECIAL INSTRUCTIONS
----------------------------------	----------------------

Page	Catalogue/ Stock No.	Description	Quantity Required	Price Per Unit	Total
				TOTAL	

DEPT BALANCE TO BE C/F

VAT INVOICES

1. Always obtain a VAT invoice for goods and services – this will enable the school to claim back any VAT charged. Details required on a VAT invoice are:
 - 1.1 an identifying number
 - 1.2 the name, address and VAT number of the supplier
 - 1.3 the date of supply
 - 1.4 the customer's name and address (this must be the school or Central Bedfordshire Council)
 - 1.5 the type of supply
 - 1.6 a description which identifies the goods or services supplied:
 1. the quantity of goods or extent of the service
 2. the charge made for each item, excluding VAT
 3. the rate of VAT
 4. the total charge made, excluding VAT
 5. the rate of any cash discount offered
 6. the total VAT payable

(If the invoice includes zero-rated or exempt supplies, these must be shown separately.)

2. For invoices under £100, less details are required:
 - 2.1 the name and address and VAT registration number of the supplier
 - 2.2 the date of supply
 - 2.3 a description which identifies the goods or services supplied
 - 2.4 the charge made, including VAT
 - 2.5 the rate of VAT.

(A less detailed invoice must not include zero rated and exempt items.)

3. Where you are unable to obtain a less detailed VAT invoice for goods or services less than £100 that are paid for at the time, as a minimum, if nothing else is available, till receipts may be accepted when they have the following information:
 - 3.1 the name and VAT registration number of the supplier
 - 3.2 the nature of the goods and services supplied
 - 3.3 the price paid
 - 3.4 the date of supply.

To: Central Bedfordshire Council, _____ School

SELF EMPLOYMENT STATUS CERTIFICATE

I confirm that, having answered the questions set out on pages 1 and 2 of the Council guidance, I consider myself self-employed for the services that I am performing for Central Bedfordshire Council.

My tax office is:.....(district)

Tax Office Address:

.....

Telephone Number:

and my Tax reference number is:.....(if known and appropriate)

I authorise you to confirm this information with my Tax Office.

I understand that it is my responsibility to declare all earnings for taxation purposes in accordance with statutory provisions.

Signed:

Name:

Address

Date

For Office Use:

Self-employment notified:

Date of letter of notification:.....Reference:.....

(Copy of letter to the Inland Revenue to be attached to and filed with this certificate).

Authorisation to Pay by Purchasing Card

Authorisation number: (school to allocate sequentially)	
Requestor's name	
Item Requested	
Merchant Category	
Total cost	
CFR & GL Code	

To be completed by School's Finance personnel (who should not be the cardholder):

Does this purchase represent Best Value and is this in line with school's spending priorities?	YES / NO
Budget holder's signature	
Requestor's signature	
Authorised by (Name)	
Authorised by (Signature)	

Invoice number	
Agrees to costs provided above	YES / NO
Total cost (£)	
NET cost (£)	
VAT (£)	
Invoice agreed to card statement	YES / NO
Reconciled on school's accounting system	YES / NO
Date reconciled on school's accounting system	
Checks undertaken By:	Signature: Date:

APPENDIX G

Purchasing Card Daily Transaction Log

NAME _____
 START _____
 FINISH _____

Date _____

REF NO	Authorisation number:	ORDER DATE	SUPPLIER NAME	DESCRIPTION OF GOODS / SERVICES	Merchant Identifier	SUPPLIER REFERENCE NUMBER	DATE REC'D	NET INVOICE AMOUNT	VAT RATE	VAT AMOUNT
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
							TOTAL			

Authorising Signature:

Signature:

Date:

Reviewed by:

Headteacher:

.....**Date:**.....

Chair of

Governors:.....**Date:**.....

15. CONTRACTS AND TENDERING

(To be supplemented with further guidance applicable to the school)

_____ **SCHOOL**

INTRODUCTION

1. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Bank Account Scheme for Schools
Purchasing Card Guidance for Schools
Council's Contract Procedures
Council's Financial Procedure on Ordering and Paying for Goods and Services
VAT Guide

The arrangements in this guidance relate to revenue and capital expenditure from official school funds. When purchases involve capital expenditure, this will be dealt with by ().

2. This document supports the sections of the Financial Regulations for Schools on Orders for Works, Supplies, Goods and Services and Payment of Invoices.

OVERALL RESPONSIBILITIES

3. Overall responsibility for the administration of contract and tendering procedures rests with the headteacher who will ensure that Central Bedfordshire's Financial Regulations for Schools and Standing Orders in relation to purchasing, tendering and contract matters are fully complied with. Detailed legal advice is available from the LA's legal advisers.

The Headteacher will be responsible to ensure that the decisions made by School Governors are taken in light of all current regulations to prevent illegal acts

The Headteacher will be responsible for undertaking discussions with the School Planning Team if the school wishes to make alterations to the building or site and seek School Managed Project approval.

The day- to-day responsibilities have been delegated as detailed in this document.

ORDER PROCESS

4. The Headteacher will have to appoint an appropriate building professional to oversee any capital project and protect the school from any unforeseen liabilities and possible prosecution.
5. () will select suppliers only from an approved list
6. For contracts valued up to £2,000 () will ensure that the principles of best value apply and the selection process is documented and wherever possible at least 2 competitive quotations are obtained.

For contracts valued between £2,001 and £20,000 () will ensure that a minimum of three quotations on the suppliers' headed notepaper or from the suppliers' email domain to the authorised officer are obtained.

If the contract is awarded to any other than the lowest bidder () will ensure that the reasons for doing so are justified and recorded in writing.

Where the value is between £20,000 and £59,999.() will ensure that at least three formal quotations by sealed bid (unopened envelope) are sought from suppliers,. *(Five or more suppliers is best practice)*

For contracts above £60,000 up to the EU threshold () will ensure the process regarding formal tenders is followed and guidance from the Procurement Team at Central Bedfordshire is sought.

7. () will assess in advance the health and safety competence of contractors, taking into account Bedfordshire's policies and procedures.
8. *School to insert the following paragraph where the premises are owned by the LA or the school has voluntary controlled status.*

() will notify the LA and seek consent to the proposed works.

CONTRACT OPENING PROCEDURES

9. The Headteacher will ensure that the school fully complies with all current regulations in connection with contract opening procedures. To ensure this process is fair, strict rules must be observed for the receipt and logging of the bids and minutes of the meeting must be taken.
10. Whilst more detail is given in the procurement guide, potential contractors will be assessed in the 5 main ways.
 - i. Financial probity (including financial checks on accounts and company stability)
 - ii. Experience, including references
 - iii. Health and Safety (including policies and any notices/litigation)

- iv. Equal Opportunities, the contractor must provide answers to the approved questions concerning race equality and provide documentary evidence as allowed under the Local Government Act 1988
- v. The Council also requires an additional assessment to be carried out in respect of environmental policies and compliance.

ACCEPTANCE OF TENDERS

- 11. A panel of staff and governors will be set up to evaluate the tenders received against the pre-determined evaluation criteria and weightings set out in the tender documents. Once the contract has been awarded () will notify successful and unsuccessful tenderers
- 12. () will be responsible for recording the results of the tender evaluation on the tender file.
- 13. The building professional will then undertake the monitoring and evaluation of the contract.

SECURITY AND RETENTION OF DATA AND DOCUMENTATION

- 14. () is responsible for ensuring that all documentation associated with tenders, quotations and payment of invoices is stored securely. This will include minutes of tender evaluation panels and other meetings connecting with the contracting process.
- 15. Full current details of retention periods for all documents are included in this Manual at Section 19.

16. SCHOOL BANK ACCOUNTS

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document does not apply to Unofficial Funds, for which there is separate instructions in this Finance Manual.
2. This document will be distributed to all relevant staff carrying out the functions detailed. In addition and where appropriate, extracts from one or more of the following documents will be appended to complete the picture of system procedures and staffing responsibilities. This is the responsibility of (_____), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Bank Account Scheme for Schools
Purchasing Card Guidance for Schools

3. The Bank Account Scheme for Schools is included in the Financial Administration Handbook for Schools.

OVERALL RESPONSIBILITIES

4. Overall responsibility for the administration of the bank account rests with the headteacher. The day-to-day responsibilities covering the operation of the account have been delegated as detailed in this document.
5. The Governing Body has approved on (*date*) the (*name of bank*) as the school's chosen banker. (Only one bank account in respect of LA transactions may be maintained by each school)

Insert the next paragraph only if the school has chosen not to use the Council's current banker.

6. The banking terms and conditions between the (*name of bank*) and the school are negotiated by (_____), who will ensure charges are subject to a regular review. These contract arrangements were reported to and approved by the Governing Body on (*date*).

7. The names of the accounts operated by the school are ().
8. () is responsible for ensuring all banking and treasury management policies are current and any variations in such policies and procedures are promptly submitted to the Governing Body for approval. () is responsible for implementing all changes in procedures.
9. The headteacher will ensure that there is adequate staffing in place within the school to provide the required level of control to operate a bank account. The headteacher will inform the Governing Body of any concerns affecting the efficient operation and control of the bank account.
10. The headteacher will ensure that responsibilities are delegated in such a way as to provide satisfactory separation of duties. At least three different members of staff should share the following tasks:
 - Authorisation of orders
 - Authorisation of invoices for payment
 - Custody of cheque book
 - Signing of cheques
 - Recording of expenditure
 - Bank reconciliation
 - Authorisation to use Purchasing Card (if applicable)

BANK ACCOUNT ADMINISTRATION

11. Cheque signatories will be drawn from a panel of the following members of staff who are not involved in the day-to-day operation of the bank account: *(list up to four Central Bedfordshire Council employees nominated by the Headteacher below)*.

() will ensure that all cheques are drawn on the account are crossed "account payee only", and with the current date and are not be pre-signed.
12. () will submit the nominated panel to the Governing Body for approval and will obtain approval for any subsequent alterations. The decisions of the Governing Body will also include which staff are nominated to authorise other matters relating to the bank account, such as general enquiries, requests for statements, etc.
13. The decisions of the Governing Body will be minuted and () will submit the minute to the bank as a mandate where required by the bank

to do so. *NOTE: Schools that are part of the Council's overall banking arrangements will need to insert additional requirements to submit copies of any original and revised bank mandates to Exchequer Services .*

14. () is responsible for promptly reconciling the account on a monthly basis and ensuring it never becomes overdrawn. () will carry out a regular, independent review to ensure this is carried out effectively. The bank reconciliation will be recorded and signed by (*name the compiler and reviewer*).
15. Cash flow forecasts will be prepared by ()
16. () will report regularly to the Governing Body on the actual results against forecasts and submit updated forecasts when new information becomes available.
17. Cash flow management returns to the School Financial Adviser will be completed on a monthly/quarterly basis. by () in accordance with the requirements of the Scheme and signed by Headteacher and Chair of Governors
18. Where the Bank Account Scheme allows, payment by Direct Debit, BACS or other automated transactions will be agreed by (). The documentation will be handled by (), who will ensure Direct Debit Instructions are signed by two of the authorised signatories.
19. The Direct Debit Guarantee and copies of all other documentation will be kept by () on the () file. () will be responsible for the regular and careful monitoring of Direct Debits charged to the school's bank account.
20. Those areas agreed as Direct Debits, Standing Orders, BACS or other automated transactions are listed at Appendix 1.
21. () is responsible for the submission of VAT returns to the Vat Office of Central Bedfordshire Council by the specified deadline, authorised by ().
22. All other monthly, quarterly and annual financial monitoring and reporting returns to the School Financial Adviser are the responsibility of (). They will be signed by the Headteacher and Chair of Governors.

SECURITY AND RETENTION OF DOCUMENTS

24. () will be responsible for ensuring that all documentation, including bank statements, reconciliations, cheque books and counterfoils, paid cheques and other bank account records, is retained securely.

25. Full current details of retention periods for all documents are included in this Manual at Section 19.

Schedule of Agreed Direct Debits, Standing Orders, BACS payments and other Automated Transactions

PAYEE	TYPE of TRANSACTION (DD, SO, BACS etc.)	START DATE	FREQUENCY	FINAL PAYMENT DATE (if Known)	NOTES
<i>Examples:</i>					
<i>Eastern Electricity</i>					
<i>British Gas</i>					
AWA					

17. VOLUNTARY/UNOFFICIAL FUNDS

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document and appropriate extracts of the guidance and instructions listed below will be distributed to all relevant staff carrying out the functions detailed. This is the responsibility of (), who will maintain a record of the name of the member of staff, date and details of the documents supplied.

Scheme for Financing Schools
Schools Financial Value Standard
Financial Regulations for Schools
Charities Act 1993, 2006 and 2011.

2. This document supports the section in the Financial Regulations for Schools on Voluntary Funds.
3. The Governing Body has approved the opening of the following unofficial funds and associated bank accounts, having first given due consideration to the administrative burden and costs involved:
(List names of funds, associated bank accounts, and the dates the opening of the funds was approved by the Governing Body).

OVERALL RESPONSIBILITIES

4. The Governing Body has approved the appointment of () on *(insert date/minute reference)* as the Fund Auditor, who is independent of the governors and school staff. This appointment was approved on *(insert date/minute reference)*.
5. The Governing Body has appointed () as Fund Treasurer on *(insert date/minute reference)*, who is responsible for all unofficial funds, and supervise the operation of any subsidiary funds maintained by other members of staff. The Fund Treasurer is also responsible for monitoring whether the fund should be registered for VAT against current thresholds.
6. The Governing Body is responsible for making proper arrangements for the administration of the school's unofficial funds, and has delegated the day-to-day administration of transactions to ().
7. The headteacher will ensure that the same standards of financial accounting which apply to income and expenditure for the school's delegated budget

(official funds) are applied to those funds that are composed of non-public money (unofficial funds).

CHARITIES ACT

8. () has contacted the Charity Commission on behalf of the Governing Body on *(insert date)* and, in accordance with their response and guidance issued by them on *(insert date)*, *(has/has not)* registered the fund as a charity.

(Delete the following if not applicable):

9. The Governing Body registered the Funds as a Charity on *(insert date)*. The governors will act as the Trustees and be responsible for ensuring the accounting requirements of the Charities Acts are met.

MAINTENANCE OF ACCOUNTING RECORDS

10. A financial year has been determined for the fund and runs from *(insert dates e.g. 1 April to 31 March)*
11. *(Insert format e.g. manual, computerised)* accounting records are maintained by ().
12. Money handled for unofficial activities is kept separately from official Council money and Council money is not held in unofficial funds.
13. The records of all transactions are likewise not mixed.

BANK ACCOUNTS

14. The following are authorised to sign cheques drawn against the bank account: *(insert names and any limits)*.
15. All cheques will be signed by two signatories drawn from the panel.
16. All cash balances and cheque books are stored securely within the school, and are under the control of ().
17. Upon receipt of the bank statement, the Treasurer will ensure that the bank reconciliation is undertaken by (). This reconciliation will be documented, signed and dated.
18. The reconciliation will be reviewed by (), who will sign and date the reconciliation to evidence the review.

ACTIVITIES OF THE FUND

19. For all activities run within the school fund, an individual named person carries responsibility for that activity. A list of those staff responsible is attached at Appendix 1). (*Insert Appendix 1 and maintain list as activities develop*).

(If list is small the following paragraph may be inserted here:

Currently, these activities are:

List activities and staff responsible. e.g. tuck shop, pupils donations etc.)

20. For all school trips organised within the school fund, a standard receipts and payments record is maintained, an example of which is given at Appendix 2.
21. The trip records will be maintained by (*insert name of trip organiser*), and all completed records are passed to and retained by ().
22. All financial transactions are conducted through the school funds, and not through private bank accounts. Private cheques are not cashed out of school fund monies.
23. Periodically activity records maintained should be reviewed by (), who will sign and date the review.
24. Acknowledgements are given for all income received in respect of school fund activities. The form of acknowledgement varies according to the activity.
(list below the method of acknowledgement e.g.
Collection cards – pupils’ donations, school trip collections
Serially numbered duplicate receipts – individual donations, craft sales
Cash register till receipts –school tuck shops, miscellaneous sales).
25. Copies of any receipts given will be retained by ().
26. Income received is banked intact and without deduction to meet items of expenditure. Individuals operating activities will pass money regularly (*Insert frequency e.g. weekly*) to () for banking.
27. Any school fund income will be paid into the relevant bank account at least once a month.
28. All payments, except petty cash items, are made by cheque.
29. All payments are supported by vouchers/invoices, held by ().
30. All vouchers/invoices will be authorised prior to payment by ().
31. The cheque number will be recorded on all vouchers/invoices by ().

32. All bank statements, cheque books, cheque book counterfoils, receipt books paying in books, vouchers/invoices etc. will be retained () for audit purposes, together with any deposit account pass books.

PETTY CASH

33. In order that small payments, such as postage, can be made in cash, a petty cash account is held. () will maintain a petty cash book, with expenditure supported by invoices, referenced to the relevant entry in the cashbook. The petty cash will operate on an imprest basis.
34. The level of the petty cash imprest is *(insert value)*.
35. Payments processed through petty cash are restricted to individual transactions of no more than *(insert value)*
36. Before reimbursement is made by the Treasurer, the petty cash account is reconciled back to the original advance by (). The reconciliation will include:
Cash in hand
Vouchers
Stamps.
37. This reconciliation will be signed and dated. The reconciliation will be reviewed by (). The reimbursement will be effected by drawing a cheque from the unofficial school fund bank account.
38. All petty vouchers will be retained with the other vouchers relating to the school fund.

YEAR END ACCOUNTS

39. At the end of each financial year, the Treasurer will prepare a set of financial statements for the fund. These will be signed and dated in accordance with Charity Commission guidance (see <https://www.gov.uk/government/publications/charity-accounting-templates-receipts-and-payments-accounts> as shown in the attached Appendix 3).
40. () is responsible for forwarding the financial statements and supporting records to the Fund Auditor. The audit will be completed within three months of the end of each financial year, by an independent person who is not associated with fund in any way.
41. The Fund will be audited by *(insert name of qualified accountant)* who will provide a certificate in accordance with published professional standards.
(Insert if applicable)
A copy of this was given to the auditor on *(insert date)*.

42. The Fund Auditor will audit the school fund using Charity Commission guidance and the Notes of Guidance for the Audit of Unofficial and Voluntary Funds (Appendix 3).
43. () will present the audited accounts, the auditor's certificate and written report on the accounts to the Governing Body at *(Insert the meeting at which accounts will be presented e.g. Autumn term meeting of Governing Body)*.
44. () is responsible for forwarding a copy of the audited accounts to the School Financial Adviser within six months of the fund's financial year end.

INSURANCE AND SECURITY

45. It is the responsibility of () to make appropriate arrangements to cover any additional insurable risk.
46. Cash held should be kept to a minimum and banked regularly.
47. Where large sums are anticipated (e.g. fetes etc.), arrangements will be made by () for money to be placed in the night safe facility at *(Insert name of bank)*.
48. () is responsible for ensuring that any items of value purchased from school funds are recorded in the school inventory, with a reference to the fact that they have been purchased from such funds.

INVESTMENTS

49. The Governing Body has agreed a treasury management policy on *(insert date)* for the investment of surplus funds. The day to day management of surplus funds has been delegated to ().

CHANGE OF FUND TREASURER

50. On handing over of responsibility for an unofficial fund by a Fund Treasurer to a successor the following procedure will be followed:
1. The outgoing Treasurer will pay into the bank all money in hand, except petty cash and will obtain an up to date bank statement.
 2. The Treasurer will total and balance the cashbook and the petty cash.
 3. A statement will be completed in the cashbook *(or documented elsewhere if a computerised system is in use)*, detailing the balance of the fund, taking into account unpresented cheques and deposits not

yet credited. This statement should be signed by the outgoing Treasurer, the incoming Treasurer and the headteacher.

RETENTION OF RECORDS

51. () is responsible for ensuring that all records relating to the school fund are retained securely.
- 52 All records relating to the school fund will be retained at the school for a minimum of the current year plus six.

APPENDIX 1

ACTIVITIES MANAGED THROUGH THE SCHOOL FUND

Activity Description

Staff responsible

CENTRAL BEDFORDSHIRE COUNCIL

Notes of Guidance for the operation of Unofficial and Voluntary Funds in Schools

1. Introduction

- 1.1 Most schools have funds from sources other than the Local Authority (the Authority). The following notes are for the guidance of Governing Bodies and staff of schools operating such unofficial funds. They do not cover the funds of Parent – Teacher or other Associations where financial management is entirely in the hands of parents, although similar principals may well apply. Such Associations should take their own advice regarding the legal requirements under which they operate.
- 1.2 Although unofficial funds are not subject to official control by the Council, there is a need for such accounts to be properly controlled. This is in view of the public nature of the money handled, and the need for all persons involved to be able to prove that they have dispensed their responsibilities correctly.

2. Registration Requirements

a) Charities Act 2006

- 2.1 There is a possibility that unofficial funds need to register as Charities if Annual Income from all sources exceeds £5,000 per annum. Guidance has been sought from the Charity Commissioners who confirm that a School Fund is capable of being registered as a charity if it is used for charitable purposes (which includes Educational purposes). If the income of the proposed Charity is in excess of £5,000 per year, registration is compulsory, even if the people administering the fund do not wish it to be a Charity.
- 2.2 The purpose of unofficial Funds probably differs from School to School. It is not, therefore, possible to give general advice on whether or not a particular School Fund is a Charity and needs to register. Accordingly, Schools are advised to contact the charity Commissioners direct to obtain guidance at:

The Charity Commission
PO Box 211
BOOTLE
L20 7YX

General Enquiries: 0300 0066 9197

<https://www.gov.uk/government/organisations/charity-commission>2.3 Where
Schools register unofficial funds with the Charity Commissioners or activities

include charitable purposes, the accounting requirements of the Charities Act 2011 will apply. The implications of the Act are noted in the text below and are on the Charity Commission website (<http://www.charity-commission.gov.uk/>).

b) VAT

- 2.4 Where funds have an annual turnover in excess of the current VAT threshold; they may need to register for VAT purposes. . If a school feels that it may need to register a fund for VAT, it should, in the first instance, seek advice from one of the VAT Officers. VAT incurred by the school will be reclaimed on a monthly basis by submitting a VAT Reimbursement Claim to the VAT Officer.

3. Administration

- 3.1 The Governing Body is responsible for making proper arrangements for the administration of the school's unofficial funds. They should delegate the day-to-day administration of transactions to appropriate members of staff, e.g. Headteacher/Deputy/Secretary. However, if they have registered the Fund as a Charity, the Governors will act as the Trustees and be responsible for ensuring the Accounting requirements of the Charities Act 2011 are met.
- 3.2 The Governors should determine a financial year for each fund. It is recommended that this should be 1st September to 31st August or a part year to 31st August for newly established funds.
- 3.3 The Governing Body should appoint a Fund Treasurer (the Treasurer) and an independent Auditor. Where the Charities Act 2011 applies there can be specific audit/examination requirements as specified on the Charity Commission website (<http://www.charity-commission.gov.uk/>):
- All charities must prepare accounts and make them available on request.
 - Funds must be audited by a qualified accountant who will provide a certificate in accordance with published professional standards. However, very small funds may be audited by a suitable individual familiar with the principles of accountancy rather than necessarily a qualified accountant.
 - If the charity is registered and has an annual income of less than £10,000, the Commission needs to be told if the charity's details change. The easiest way to do this is by using the Charity's annual return form to update the charity's details on the register of charities.
 -
 - Annual income between £10,000 and £250,000 per annum – examination by “an independent person who is reasonably believed by the Trustees to have the requisite ability and practical experience to carry out a competent examination of the accounts”.

- Annual income above £250,000 per annum –professional audit by an independent examiner must be a member of a professional body named in the Charities Act 2011.
- Where income exceeds £500,000 the accounts must be audited by a statutory auditor

A summary of the Charity Commission scrutiny and filing thresholds for Charities with financial years ending on or after 1 April 2009 appears at Appendix D.

- 3.4 Even if the Charities Act does not apply, it is recommended that similar principals should apply and the Auditor should be independent of the Governors and school staff.
- 3.5 The Treasurer should open a bank account in the name of the fund at a local bank, and make arrangements for cheques to be signed by at least two or three or more authorised persons, one of whom should be the Treasurer. Cheques should never be pre-signed.
- 3.6 The Treasurer should be responsible for all unofficial funds, and supervise the operation of any subsidiary funds maintained by other members of staff.

4. Accounting Records

- 4.1 The Treasurer should maintain financial records in accordance with these notes, and funds registered under the Charities Act 2011 must also meet the Charity commission's requirements. The latter have issued a Statement of Recommend Practise (SORP) with the approval of the Accounting Standards Boards and this is available, free of charge from the Commission. It defines the accounting standards that must be observed.
- 4.2 The SORP requires that the Treasurer must prepare an Annual Report . An example is given at Appendix A. This uses the Receipts and Payments basis that may be chosen by funds with an income under £250 per annum. All funds with a turnover in excess of £250K per annum must use an Accruals basis (Income and Expenditure). Funds below this level may voluntarily choose to adopt an Accruals basis.
- 4.3 The Treasurer should present the Annual Report for audit with all the supporting documents as soon as possible after the end of the financial year.
- 4.4 At the first meeting of the Governing Body after the end of the Financial Year, the Treasurer should present a copy of the audited Annual Report for approval. A copy should also be made available for inspection by all members of staff within the school. A simple annual return must be sent to the Charity Commissioners in relation to registered funds, which have a turnover of under £10K. Full annual returns are required for larger funds.

- 4.5 Money handled for unofficial activities should be kept separately from official Central Bedfordshire Council (CBC) money and CBC money should not be held in unofficial funds.

5. Annual Report

- 5.1 Charities with an income of £10,000 or less in the reporting period are asked to complete an Annual update. Although not required to complete an Annual Return, small charities are asked to complete the Annual Update as a good way of meeting their legal obligation to update their Register details.
- 5.2 School funds registered as Charities with a turnover exceeding £10,000 per annum must produce an Annual Report and forward this to the Commission within 10 months of the end of the Financial Year. The report should contain:
- A concise but comprehensive review of activities each year
 - A review of the transactions and financial position of the charity
 - The salient features of the accounts
 - Information regarding ongoing items of expenditure, projects not yet completed and obligations not yet met.
- 5.3 Smaller Charities may produce a simpler form of report and the commission may require these to be made available on request.
- 5.4 Schools should always consult the Charities Commission's website <http://www.charity-commission.gov.uk> for the latest requirements of the Commission.

6. Income and Expenditure

- 6.1 As far as practicable, the Treasurer should not run subsidiary activities such as school visits and tuck shops. Staff involved in such activities should maintain simple but complete records such as those described above. They should pass all takings to the Treasurer for banking (obtaining a receipt), and pass all invoices (duly certified as correct) to the Treasurer for payment.
- 6.2 All financial transactions should be conducted through the school funds, and not through private bank accounts. Private cheques should not be cashed out of school fund monies.
- 6.3 All income received should be acknowledged by the issue of an appropriate receipt. Unofficial school funds will receive income from a variety of sources, and different procedures for recording these transactions will be appropriate, including:
- Collection cards – pupils' donations, school trip collections.
 - Serially numbered duplicate receipts – individual donations, craft sales.

- Cash register till receipts – school tuck shops, miscellaneous sales.

6.4 Income received should be banked intact and without deduction to meet items of expenditure. This may not always be possible in smaller schools, but in all cases the accounts should record the full transaction (i.e. receipts in full, and payments in full). Figures should not merely be summarised to show a residue.

6.5 All payments, except petty cash items, should be made by cheque.

6.6 In order that small payments, such as postage, can be paid in cash, the Treasurer should open a petty cash account by drawing a cheque for cash from the main School Fund. He/she should maintain a petty cash book, with expenditure supported by invoices, referenced to the relevant entry in the cash book. It is suggested that the petty cash should operate on an “imprest” basis. This means that the School Fund reimburses expenditure incurred from time to time to maintain the Petty Cash float at a predetermined fixed sum.

7. Records

7.1 The Treasurer should maintain a cash book with sufficient ruled columns to analyse all receipts and payments. An example is given at Appendix B.

7.2 The Treasurer should retain all records of income and expenditure, Bank statements, paid cheques, cheque book counterfoils and paying in books for audit, together with any deposit account pass books, etc.

7.3 At the end of each financial year the Treasurer should prepare accounts, and forward them to the fund Auditor(s) together with all relevant records.

7.4 If appropriate, the Annual Report and accounts should be sent to the Charity commission within 10 months of the year end.

8. Insurance and Security

8.1 All materials, goods and property purchased by a school for use on its premises will become the property of the Authority. The Authority will insure these on the same basis as other items used in the school. It will normally be possible to recover the VAT payable in respect of them, provided that the item is ordered through the Authority for the net cost of the item. An order can then be placed in the usual way and the Authority is able to recover the VAT.

8.2 The Authority currently insures unofficial funds held in a safe on school premises to the value of £2000 (with an excess of £50). The Treasurer should make arrangements to cover any insurable risk in excess of these amounts.

- 8.3 Cash held should be kept to a minimum, and banked regularly.
- 8.4 Items of value purchase from unofficial funds for the school should be recorded in the school inventory, with reference to the fact that they were purchased from such funds.

9. Investments

- 9.1 Governing Bodies should agree a policy for the investment of surplus funds. They should invest these in accordance with a prudent low risk policy, and must observe the requirements of the Trustees Investment Act 1961. The use of Bank and building Society Deposit Accounts would normally be appropriate for day-to-day management. Sums that will be invested for a longer term need careful consideration.

10. Change of Fund Treasurer

- 10.1 The following procedure should be adopted on the handing over of an unofficial fund from one Treasurer to a successor.
- (a) All monies should be paid to bank, except for petty cash, and a bank statement obtained.
 - (b) Cash and petty cash books should be balanced.
 - (c) A statement should be completed in the cash book, detailing the balance of the fund, taking into account un-presented cheques and deposits as yet not credited. This statement should be signed by the outgoing Treasurer, the incoming Treasurer and the Headteacher.
 - (d) The incoming Treasurer should arrange for the bank to recognise his/her signature in place of the outgoing Treasurer and an existing signatory should authorise this.

11. Audit

- 11.1 The auditor should complete an independent examination of the school fund accounts. He/she should check the financial records of the fund to ensure that the entries for income and expenditure are supported by adequate documentation, with receipts and invoices as appropriate. The Auditor should look for unusual items and question the validity of entries, and should also think of possible areas of income that may have been omitted.
- 11.2 The Auditor should only sign the Independent Examiner's Report on the Accounts (an example of which can be found on the Charity Commission website and is given in Appendix C) when he/she is satisfied with the explanations given and that the records are correct. Any doubt or

constructive comment should be clearly shown on the certificate. Guidance for independent examiners is given by the Charity Commission on its website www.charity-commission.gov.uk

- 11.3 In addition to the formal audit arrangements, if the Headteacher is not the Treasurer, he/she should examine the books, bank statements and other records at appropriate intervals throughout the year.
- 11.4 The Chief Finance Officer will ask schools to forward a copy of the annual Audit Certificate to him (via Schools Finance team) to ensure that all funds are subject to proper accounting and independent audit arrangements. This is for the protection of governors and staff.
- 11.5 Staff of the Central Bedfordshire Council's Internal Audit and Risk Section may examine the accounts relating to voluntary funds at the request of the Headteacher, another officer of the fund, the fund Auditor or the school Governors. Such an examination may take place where the Audit and Risk Management and the Director of Children Families and Learning feel that there is a possibility of fraud or malpractice. They may also ask if the Treasurer has presented a statement of accounts to the Governors and where appropriate, sent a copy to the Charity Commissioners.

12. Other Sources of Information

- 12.1 The main source of information will be The Charity Commission, details of which are given at section 2 of this appendix.
- 12.2 Where the Charities Act 2011 applies to funds, the requirements of the charities (Accounts and Reports) Regulations 2008 , and the SORP issued by the Charity Commissioners must be observed.
- 12.4 Most fundraising for School Funds should be exempt from Income Tax, however there are some potential problem areas. Details on charity trading can be obtained from the HM Revenue & Customs (Tel: 0300 123 1073) or on the HM Revenue & Customs website.



Trustees' Annual Report for the period							
		Period start date			Period end date		
From	Day	Month	Year	To	Day	Month	Year

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

--

Section B Structure, governance and management

Description of the charity's trusts

Type of governing document (e.g. trust deed, constitution)	
How the charity is constituted (e.g. trust, association, company)	
Trustee selection methods (e.g. appointed by, elected by)	

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- trustees' consideration of major risks and the system and procedures to manage them.

--

Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

--

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- policy on grant making;
- policy programme related investment;
- contribution made by volunteers.

Section D *Achievements and performance*

Summary of the main achievements of the charity during the year

Section E Financial review

Brief statement of the charity's policy on reserves

--

Details of any funds materially in deficit

--

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

--

Section F Other optional information

--

Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (e.g. Secretary, Chair, etc)

Date

--



Charity Name		No (if any)		CC16a
Receipts and payments accounts				
For the period from	Period start date	To	Period end date	

Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Sub total (Gross income for AR)	-	-	-	-	-
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	-	-	-	-	-
A3 Payments					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	-	-	-	-	-
Net of receipts/(payments)	-	-	-	-	-
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	-	-	-	-	-
Cash funds this year end	-	-	-	-	-

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds		-	-	-
		-	-	-
		-	-	-
	Total cash funds	-	-	-
	<small>(agree balances with receipts and payments account(s))</small>	OK	OK	OK
B2 Other monetary assets	Details	-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
B3 Investment assets	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
B4 Assets retained for the charity's own use	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
B5 Liabilities	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	
<small>Signed by one or two trustees on behalf of all the trustees</small>	Signature	Print Name	Date of approval	

APPENDIX B

SUGGESTED FORMAT OF A CASH BOOK

RECEIPTS

Date 20XX	Name	Voucher No.	Tuck Shop £ p	School Concerts £ p	School Fete £ p	School Visits £ p	Total £ p	Cash Banked (Contra) £ p
June 07	Miss Bruce Sales w/e 4/6/20XX	(a)	5.28				5.28	
8	Mr Scott – St Albans trip	24				4.50	4.50	
9	Miss Bell – concert	25		17.50			17.50	
10	Mr Drake Fete 12/6	26			372.47		372.47	
	Cash Banked							399.75

PAYMENTS

Date 20XX	Name	Voucher No.	Tuck Shop £ p	School Visits £ p	School Fete £ p	School Concerts £ p	Total £ p	Cash Banked (Contra) £ p	Cash Banked (Contra) £ p
June 01	Balance B/f								63.18
7	Smith and Jones - Tuck	71	3.48				3.48		59.70
10	Baileys coaches	72		15.00			15.00		44.70
14	Cash Banked (b)	c						399.75	444.45
17	Evening Post – Fete advert	73			47.25		47.25		397.20
17	Eves Newsagent – Draw Tickets	74			1.50		1.50		395.70
17	Woolworth – Fete supplies	75			25.27		25.27		370.43
17	Petty Cash Reimbursement	76			1.70	2.47	4.17		366.26
17	Transfer to Deposit Account						200.00		166.26

NOTES:

- (a) The voucher numbers quoted in the receipts section would relate to the number of the receipt used. In the case of regular receipts (e.g. tuck shop) a simple record of takings should be maintained. The Treasurer should sign this when cash is paid over and no receipt need then be issued.
- (b) The cash banked figure is shown with a 'c' in the voucher column. This signifies a "contra" entry and means that each entry in the Receipts part of the cash book is balanced by an identical entry in the Payments part.
- (c) It is suggested that the last column of the payments part of the book should be used to record the running total of cash in the bank account. This should regularly be reconciled to the bank statement.

APPENDIX C



Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the trustees/ members of

Charity Name

On accounts for the year ended

	Charity no (if any)	
--	----------------------------	--

Set out on pages

(remember to include the page numbers of additional sheets)

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's

In connection with my examination, no matter has come to my attention (other than that disclosed below *)

- statement
1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
 have not been met; or
 2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
 - * *Please delete the words in the brackets if they do not apply.*

Signed:

Date:

Name:

Relevant professional qualification(s) or body (if any):

Address:

Section B

Disclosure

Only complete if the examiner needs to highlight material problems.

Give here brief details of any items that the examiner wishes to disclose.

APPENDIX D

Charities with financial years ending on or after 1 April 2009

Type	Income level	Accounts	External Scrutiny*	Trustees' annual report	Information to be sent to Commission
Non-company charities	Gross income is £25,000 or less (£10,000 or less for the requirement for information to be sent to the Commission)	Receipts and payments or accruals accounts in accordance with SORP and 2008 Regulations	No requirement (unless required by Governing Document)	Only if registered must a report be prepared but it may be simplified	Annual Information Return only. (This is a requirement if income is £10,000 or less)
	Gross income exceeds £25,000 but does not exceed £250,000	Receipts and payments or accruals accounts in accordance with SORP and 2008 Regulations	Accounts must have outside scrutiny but trustees may choose independent examination or audit by a registered auditor, unless the governing document stipulates one or the other	Must be prepared but may be simplified	Annual Return (usually online but paper form may be requested). Annual Report and Accounts must be sent to us within 10 months of financial year end
	Gross income exceeds £250,000 but does not exceed £500,000 and where gross income exceeds £250,000, the charity's gross assets do not exceed £3,260,000	Accruals basis in accordance with SORP and 2008 Regulations.	Accounts must have outside scrutiny but trustees may choose independent examination or audit by a registered auditor, unless the governing document stipulates one or the other. If independent examination is chosen and gross income exceeds £250,000 then independent examiner must belong to a body specified in the 1993 Act	A full Annual Report must be prepared	Annual Return (usually online but paper form may be requested). Annual Report and Accounts must be sent to us within 10 months of financial year end
Type	Income level	Accounts	External Scrutiny*	Trustees'	Information to be

			annual report	sent to Commission
Non-company charities	Gross income exceeds £500,000 or gross income exceeds £250,000 and gross assets exceed £3,260,000	Accruals basis in Statutory audit accordance with carried out by a SORP and 2008 registered auditor Regulations	A full Annual Report must be prepared	Annual Return. Annual Report and Accounts must be sent to us within 10 months of financial year end. Charities with a gross income exceeding £1,000,000 must also complete a Summary Information Return
	Where the charity has either charitable or non-charitable subsidiaries and the income of the group exceeds £500,000	Accruals basis in Statutory audit accordance with carried out by a SORP and 2008 registered auditor Regulations	Accruals based on SORP	The parent charity completes the Annual Return and Summary Information Return on a group basis Annual Report and Accounts must be sent to us within 10 months of financial year end Charities groups with a gross income exceeding £1,000,000 must also complete a Summary Information Return

The Regulations referred to are the Charities (Accounts and Reports) Regulations 2008 No 629

Type Income level Accounts External Scrutiny* Trustees' Information to be

			annual report	sent to Commission	
Charitable Companies	Must prepare directors' report and accounts under the Companies Acts and file these at Companies House				
	Must comply with Annual Report requirements set out in 2008 Regulations. In practice, the directors' report is expanded to include information required in the Annual Report				
	Our Annual return requirements are as for non-companies with an Annual Information Return where gross income or total expenditure is £10,000 or less.				
	Gross income is £25,000 or less	Accruals accounts in accordance with SORP	No requirement unless governing documents stipulates it	Must be prepared but may be simplified or suitably modified directors' report.	Annual Information Return (if income is £10,000 or less).
	Gross income exceeds £25,000 but does not exceed £500,000 and where gross income exceeds £250,000, the charity's gross assets do not exceed £3,260,000	Accruals accounts in accordance with SORP	May have independent examination or audit, unless Articles of Association stipulate an audit	Annual Report (which may be simplified if gross income does not exceed £500,000) or suitably modified directors' report	Annual Return. Annual Report and Accounts must be sent to us within 10 months of financial year end
	Gross income exceeds £500,000 or gross assets exceed £3,260,000 and gross income exceeds £250,000	Accruals accounts in accordance with SORP	Statutory audit carried out by a registered auditor	Full Annual Report (which may be a suitably modified directors' report)	Annual Return. Annual Report and Accounts must be sent to us within 10 months of financial year end Charities with a gross income exceeding £1,000,000 must also complete a Summary Information Return

Type	Income level	Accounts	External Scrutiny*	Trustees' annual	Information to be sent to
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		report	Commission
Where the charity has either charitable or non-charitable subsidiaries and the income of the group exceeds £500,000	Accruals basis in accordance with SORP and 2008 Regulations regarding group accounts.	Statutory audit carried out by a registered auditor.	A full Annual Report must be prepared, together with the additional disclosures about the activities of subsidiaries required by the SORP.
Where either the company is not small or the group is not a small group, as defined by the Companies Act 2006	Accruals basis in accordance with SORP	Statutory audit under the Companies Act carried out by a registered auditor	A full Annual Report must be prepared, (which may be a suitably modified directors' report) together with additional Business Review disclosures required by Company Law
			The parent charity completes the Annual Return and Summary Information Return on a group basis. Annual Report and Accounts must be sent to us within 10 months of financial year end.
			Annual Return. Annual Report and Accounts must be sent to us within 10 months of financial year end. (The parent charity completes the Annual Return and Summary Information Return on a group basis) Charity groups with a gross income exceeding £1,000,000 must also complete a Summary Information Return

Excepted charities

- If registered voluntarily, accounting and reporting requirement are as for any registered charity
- If not registered they must produce annual accounts in the same way as an equivalent type of registered charity (company or non-company)
- Copies of accounts must be provided to the public on request, but not sent to us unless we ask
- Although not required by law to produce an Annual Report it is good practice to do so, and we may require one to be produced in exceptional circumstances

Exempt charities

- Must keep proper accounting records and prepare accounts
- Where having to prepare accounts giving a true and fair view, they should follow SORP 2005, unless a specialised SORP applies
- Must provide copies of accounts to the public on request
- Audit requirements depend on how charity is constituted and the regulatory regime under which it operates

*Where outside scrutiny is not required or where trustees may choose an independent examination instead, the Charity Commission has the power to require an audit in exceptional circumstances.

18. KEY DATES

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

Schools may wish to insert here their key dates for:

compliance with statutory and other returns including those to the Council

any other financial procedures.

For Example

Budget Plan & Multi Year Plan	1st May
Revised Budget Plan	31st October
Forecast Outturn	December
SFVS	31 March
Year End Consistent Financial Reporting Return	May

19. RETENTION OF FINANCIAL DOCUMENTS

(To be supplemented with further guidance applicable to the school)

_____ SCHOOL

INTRODUCTION

1. This document and appropriate extracts of the guidance and instructions listed below will be distributed to all relevant staff carrying out the functions detailed. This is the responsibility of (_____), who will maintain a record of the name of the member of staff, date and details of the documents supplied

Council's policy on retention of documents

TYPE OF DOCUMENT	Recommended Retention Period <i>(in addition to the current year)</i>
<i>Accountancy/Financial</i>	
Abstract of accounts	10 years
Budgetary control monthly statements/reconciliations	6 years
Costing records	6 years
Estimate working papers	2 years
Revenue Financial ledgers (including year end report)	10 years
Capital Financial Ledgers (including year end report)	10 Years from completion of scheme
Grant claim records	6 years
Investment records	6 years
Journals etc	6 years
Leasing records	1 year after disposal
Record re closing ledgers	6 years
Local School records	6 years
Telephone call records	1 year
VAT claims	6 years
VAT records	6 years
Voluntary fund accounts	6 years

<i>Bank Related Records</i>	
Bank paying-in books/slip	6 years
Bank reconciliation	6 years
Bank statements	6 years
Record of Cancelled cheques	6 years

Cheque books and counterfoils	4 Years
Cheque list (creditors/payrolls)	4 years
Loan records and correspondence	One year following repayment of loan
Paid cheques	6 years + current
Returned cheque records	6 Years + current
CONTRACTS	
Contract documentation for DETR schemes	25 years
Final accounts of contracts executed under hand	6 years
Final accounts of contracts executed under seal	12 years
Highways 2 nd and 3 rd lowest tenders (county scheme)	1 year
Successful tenders	3 years after final payment
Unsuccessful tenders	Retain until final payment made
CREDITOR RECORDS	
Copy orders	6 years plus current year
Credit notes	6 years plus current year
Creditor invoices	6 years plus current year
Delivery notes	6 years plus current year
Imprest documentation including claim vouchers	6 years
Periodic payment records	6 years
BACS Listings	6 years
INCOME RECORDS	
Cash books	5 years
Correspondence (income)	2 years following full clearance of debt
Debtor accounts (records non-current)	2 years following full clearance of debt
Periodic income records	2 years following full clearance of debt
Receipt books	6 years from date of final receipt in book
Record of receipt books issued	6 years following date of issue
Write-off reports/records	6 years
Sales records	2 years
Collection Records	2 years
Till Rolls	2 years
MISCELLANEOUS RECORDS	
Capital works tabulations	6 years
Car Leasing and mileage records	3 years from the termination of the lease
Car loans	3 years following the cessation of repayments

Computer systems: Systems Administration records	2 years
Computer systems: Change control documentation	2 years
Computer systems: Security changes/authorisations	2 years
Employee Personnel File	Indefinitely
Inland revenue documentation	6 years
Internal requisition (e.g. printing)	2 years
Inventory records i.e. individual asset records	The life of the asset plus six years following disposal of asset
Land searches	6 years
Member allowances (claims)	6 years
Postal remittance registers	2 years
School meals records	2 years
Small-holdings record - assets	Indefinitely
Small holding records -income	5 years
Stock lists	2 years
Safe Custody Payments	7 years
Travel claims	2 years
Formal agreements relating to grants made to 3 rd parties	6 years
<i>PAYROLL</i>	
BACS amendments and output	1 year
Building society tabulations	1 year
Copy payslips (CD ROM)	Indefinitely
Copy pay-slips	Current period + 2 months
Correspondence	2 years
Life certificates (pensions)	Current version until one year following notification of decease
Monthly BACS listings	Indefinitely
NI file cash book	6 years
NI number changes	6 years
Payroll adjustment documentation	2 years
Part-time employees' claim forms	2 years
Pensions – personal records	Indefinitely
Pre-lists	Current period plus 2 months
SSP records	3 years
SSP variations	3 years
Staff transfer records	2 years
Starters forms	2 years
Tax and NI records including P11ds	6 years

Tax code notifications	6 years
Teachers' pension records	Indefinitely
Timesheets	2 years
Union documents (e.g. subs, records)	2 years

20. Glossary

Accounting Period	Period of time covered by the accounts (see Financial Year).
Accrual	Sum included in the final accounts to cover income or expenditure relating to an accounting period when goods or services were received but payment was not received or made by the end of that period.
Accounts	Statements setting out records of income and expenditure – for fully funded schools will include assets and liabilities.
Actual Expenditure and Income	Actual as opposed to budgeted expenditure and income relating to an accounting period.
Agency Services	Provision of services by one body (the agent) on behalf of another that is legally responsible for providing the service.
Age Weighted Pupil Number	Part of the formula used to calculate a school budget share based on numbers and ages of pupils.
Asset	An item that will be used by the school over a long period and has a lasting value.
Auditor	A person responsible for verifying that proper accounts are kept and effective and efficient accounting procedures and internal controls are followed (see also External Auditor and Internal Auditor).
BACS	Bankers Automated Clearing Services. System operated by all banks to make electronic payments to and from individual bank accounts.
Base Budget	The budget upon which subsequent budgets will be based or calculated.
Best Value Reviews	The principle means by which the council considers new approaches to service delivery with targets set reflecting national and local factors.
Budget	Statement forecasting net revenue expenditure over a specified period of time.
Budget Allocation	Allocation of a budget down to budget holder or department level.
Budgetary Control	The monitoring and control of expenditure and income during the financial year against the budget.
Budget Holder	Member of staff to whom a part of the budget has been delegated.
Budget Head	A section of the budget for which estimates are produced and control exercised.
Capital Expenditure	Spending on assets (land, buildings, equipment) that adds to and not merely maintains the value of an existing asset.
Capital Financing Charges	The repayment of loans and interest to pay for capital projects.

Capital Receipts	Money from the sale of land, buildings etc. which can be used to pay for new capital expenditure within Government rules, or to repay outstanding loans.
Carry Forward	Transfer of a surplus or deficit in one accounting period to the following period (often one financial year to the next).
Cash Limit	Method of expenditure control, which restricts the amount available for spending to a specific cash amount, regardless of the effects of inflation.
Cash Flow	Statement estimating the level of payments and receipts over a period of time.
Central Funds	Funds, not allocated or delegated to schools, from which items not chargeable to specific schools, are met.
Certifying Officer	Member of staff who approves or authorises a document as correct before it is transacted.
CIPFA	Chartered Institute of Public Finance and Accountancy. The professional accounting body that issues advice and guidelines on local authority accountancy issues.
Commitment Accounting	System for recording transactions as the liability arises (e.g. when placing an order). The recorded estimated expenditure is replaced by actual expenditure when payment is made.
Competitive Tendering	Obtaining tenders or quotations from several suppliers of a particular product or service to ensure best value for money.
Contingency	Sum set aside to provide for foreseen but unquantifiable future commitments or for unforeseen expenditure, which may become necessary during a financial year.
Cost Centre	Collection point where items of income and expenditure are charged for managerial and control purposes – a school is a cost centre.
Council Tax	The local tax based on the relative market values of residential property, which helps to fund services provided by local authorities.
Counterfoil	The part of a cheque, receipt etc. that remains fixed in a book after removal of the cheque etc., giving a summary of the information contained on the document removed.
County Fund	The main account of the Council where income from grants and precepts is paid in and day-to-day spending on services is paid from.
Credit Note	Document issued by a supplier to cancel all or part of the cost of goods services already incorrectly.
Creditor	<ol style="list-style-type: none"> 1. An amount owed by the Council/school for goods/services received within the accounting period for which payment has not yet been paid. 2. A supplier to whom payment is due for goods of services.

Debtor	<ol style="list-style-type: none"> 1. An amount due to the Council/school for goods/services provided which has not been received within the accounting period. 2. Organisation/company/individual from whom payment is due for goods or services provided.
Delegation of Responsibilities	The handing down of responsibility for decisions or activities, which has been approved and forms part of an agreed scheme of delegation.
Depreciation	The notional loss in value of an asset due to age, wear and tear, deterioration etc.
Direct Debit	A payment from a bank account of unspecified sums, originated by the payee after the bank account holder has completed a direct debit mandate authorising the payments.
Direct Revenue Financing	Resources provided from the Council's revenue budget to finance the cost of capital projects.
Discretionary Exceptions	Headings of expenditure not delegated to a school but held centrally and spent on behalf of the school.
District Audit	The current external auditor to the Council appointed by the Audit Commission. (See External Auditor)
Emoluments	All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash.
Expenditure	Amounts paid for goods and services received.
External Auditor	The organisation appointed by the Audit Commission to carry out the annual audit of the Council's final accounts, value for money reviews and other statutory duties. The appointed auditor can be from an approved firm of accountants or from District Audit.
Employer's On-Costs	National Insurance and pension (superannuation) costs that are met by the employer in addition to basic salary.
Fees and Charges	Income raised by charging users of services for the facilities.
Final Accounts	Accounts prepared of all transactions, including debtors and creditors, relating to an accounting period (usually the financial year).
Finance Lease	A method of paying for capital expenditure where a rent is paid for an asset during its useful life.
Financial Code of Practice	Financial procedures and controls issued by the Chief Finance Officer in support of Financial Regulations.
Financial Year	The period covered by a set of financial accounts – the Council's financial year starts on 1 April and ends on 31 March the following year.
Financial Regulations	The written code agreed by the Council to provide a framework within which its

financial affairs are conducted.

Financial Regulations for Schools	The written code to provide a framework within which all schools will conduct their financial affairs
Fixed Asset	An asset that has a value beyond one financial year.
Fixed Costs	Costs that do not vary with the level of activity, e.g. rates bill that is not directly affected by changes in the number of pupils or any other measure of activity at the school.
Float	Specific amount of cash given to an individual out of a bank account to enable expenditure to be incurred, or a sum of cash retained by a person receiving income to assist in giving change.
Formula	The method by which the Individual Schools Budget is distributed to schools.
Full Time Equivalent	The actual hours of a part-time employee expressed as a fraction of the hours worked by a full-time employee, e.g. part-time employee works 18.5 hours, full-time employee works 37 hours, therefore part-time employee is equivalent to 0.5 full-time equivalent (FTE).
Fully Funded Bank Account Scheme	For schools accounting locally for all income and expenditure and operating a local accounting system. This scheme must be adopted if an alternative payroll provider is used.
Governing Body	The body of governors assigned the responsibility for the conduct of the school.
Government Grants	Assistance by government, inter-government agencies and similar bodies in the form of cash or transfer of assets to the Council in return for past or future compliance with conditions relating to its activities
Gross Expenditure	The total cost of providing the school services before taking into account income from fees, charges and grants.
Imprest Account	Any account that is operated by receiving an advance and reclaiming expenditure paid out of that money on a regular basis to bring the account to the level of the original advance
Imprest Bank Account	An advance is made into a school bank account to enable modest payments of non-employee expenditure locally in excess of that possible with a traditional petty cash imprest account
Income	Amounts due to the school that have been or are expected to be received.
Incremental Budgeting	Preparation of the budget for one year based upon budgets set in previous years.
Increments	An enhancement to teaching and non-teaching staff pay in recognition of additional experience and skill gained in the previous year, payable within the constraints of salary scales within which the staff are paid.

Individual Schools Budget	The balance of the Local Schools Budget remaining after deduction of centrally retained funds.
Inflation	Increases in the cost of purchasing goods and services or employing staff, varying between expenditure heads. It may be a forecast of future cost increases or calculation of past price movements.
Inventory	Permanent current record of assets held above a pre-defined value.
Internal Audit	The continuous appraisal of financial and management controls in all aspects of the Council's activities by staff employed directly by the Council.
LA	Local Authority. The Council (or any other local authority) that provides education services.
Letting	The renting or hiring of rooms or grounds to another person or organisation for a specified period during a day.
Liabilities	Money owed to the organisation or to an individual that will be paid at some time in the future.
Local Accounting System	The school's own system for recording and monitoring expenditure and income separately from the Council's central system.
Local Government Pension Scheme	The Fund for NJC staff, which makes pension payments on retirement of participants and is funded by contributions from the employer and employee and from investment income.
Local Schools Budget	All expenditure, direct and indirect, on the LA's maintained schools.
Mandate	A signed authorisation to the bank defining banking terms or agreeing a specific payment to another account.
Materiality	The significance of any amounts of variance or error in proportion to the original sum. £1 out of £1,000 is not significant.
NJC Staff	National Joint Council. Non-teaching staff.
On-Cost	See Employer's On-Cost.
Operating Lease	A means of renting an asset for part of its life. See Finance lease.
Original Budget	The budget first approved by the Governing Body effective on 1 April.
Outturn	Actual Expenditure and Income for the whole financial year.
Overdrawn	When charges to an account are greater than the sum held in the account.
Partially Funded Bank Account Scheme	Enables schools to operate a bank account to meet non-employee costs locally.
Payroll	List of employees and summaries of transactions for those receiving regular pay.

Payroll Provider	Organisation used by the school to provide payroll services including maintaining the payroll records, making payments and handling statutory and other deductions.
Performance Indicators	Features by which the effectiveness of schools can be monitored and evaluated, focusing on measurable outcomes or changes over time.
Petty Cash	Sum of money for making small cash payments
Price Base	The rates of pay and prices of goods or services at a specified date in the year.
Profiling	The analysis of the budget for each heading over a number of months (month by month) showing the pattern or trend in expenditure to improve budgetary control.
Provision	An amount set aside in the accounts for liabilities that are anticipated in the future but cannot be accurately quantified.
Receipt	Written acknowledgement from the recipient to the payer for an amount of money received.
Reimbursement Claim	List of all expenditure incurred on an account or by an individual submitted for repayment to that account or individual.
Remittance	Sum of money sent to a person or organisation, often by post.
Reserve	Money set aside to meet particular expenditure in future years.
Resource Allocation	The process of distributing funds.
Revenue Expenditure	The day-to-day running costs incurred in running a school.
Revised Budget	The original budget will be reviewed during the year to incorporate pay and price changes, changes in service delivery, staff changes etc. and will then be amended to become the revised budget.
Scheme for Financing Schools	The Scheme approved by the Secretary of State that sets out the financial and administrative relationship between the LA and schools.
School Development Plan	The plan for the school in which all new, future developments are planned together with their estimated costs.
Signatory	The person who signs a document authorising or verifying its correctness.
Standing Order (banking)	Instruction to a bank by the account holder to make regular specific payments out of that account to another specified account.
Standing Orders	Formal rules drawn up by the Council to regulate the proceedings in the Council and Committee meetings and the conduct of its business.

Stocks	The amount of unused or unconsumed stocks held for future use.
Subsistence	Money paid to employees to reimburse the cost of meals and other incidental costs when attending official business meetings or courses away from the normal place of work.
Tax Invoice	An invoice including VAT, which must contain specific details to enable the VAT to be reclaimed.
Tendering	Obtaining formal quotations from suppliers for a particular product or service.
Unofficial Fund	A fund, such as the School Fund, where money and assets, which are not the property of the Council, are handled by an employee in the course of official work.
VAT	Value Added Tax. Tax added to the cost of certain goods and services paid over to the government.
Virement	The transfer of budget provision from one expenditure or income heading to another.
Voluntary Fund	See Unofficial Fund.
Voucher	A document supporting a payment or receipt of income giving details of the transaction.