



St John of Jerusalem
Church of England Primary School

Finance Policy

Our School Vision Statement

At St John of Jerusalem C. of E. Primary School our Christian faith underpins the life of the school and through God's enduring love we create a nurturing and caring environment where our pupils develop in body mind and spirit. Through love, patience and kindness our children are encouraged to learn and grow together to realise their full potential.

"I can do all things through Him who strengthens me."

Philippians 4:13

Policy on Finance and the use of Resources.

1. Introduction

1.1 The Governing Body of St. John of Jerusalem School (hereafter referred to as the Relevant Body) will endeavour to manage the school's resources efficiently in support of the school's aims and development objectives.

2. Roles and Responsibilities

2.1 The Relevant Body has overall responsibility for the school's total financial resources, including the gifts of materials or services, income generation, fund raising and grant applications. The Relevant Body is responsible for the financial management and control of the school's budget and will approve the school's annual budget. The relevant body is responsible for compliance with the HLT Financial Procedures Manual which has been adopted by the school) and the Council's Financial Regulations and have an obligation to see that they are adhered to by staff.

Internal Controls

2.2 The Relevant Body must ensure that there are adequate internal controls in place. There are a number of controls that are by the Governing Body to ensure that the risks of error or fraudulent activity are minimised:

- Staff expertise
- Segregation of duties
- Documentation
- Register of business interests
- Financial Accounting records

2.3 The Resources Committee has responsibility for overseeing the drafting of the school budget and ensuring that adequate procedures are in place for financial control and budget monitoring. (See Annex A for the Resources Committee Terms of Reference)

2.4 The Head teacher has responsibility for preparing the school's annual budget in consultation with the Resources Committee presenting it to the first Governor's meeting of the financial year. She has responsibility for monitoring the budget and preparing reports to the Governing Body and Resources Committee for consideration and or approval, including termly financial monitoring reports to the Resources Committee. The Financial monitoring Report should show: - budget line by budget line - the annual budget; the budget provision to date; the actual expenditure to date shown by HLT records; the variance between budget to date and the HLT record; and the school's own record of expenditure to date. The Head teacher has responsibility for ensuring that procedures for financial control are carried out and to notify the Resources Committee/ Governing Body of any difficulties.

2.5 The Headteacher has responsibility for ensuring the effective and efficient use of resources and for ensuring spending remains within the approved budget limits and budgeted income received and for ensuring that financial controls are adhered to.

2.6 The Administration and Data Officer (Hereafter referred to as the ADO) has responsibility for petty cash and its safekeeping; for processing and amending orders, checking delivery notes and preparing invoices for payment. The Administration and Data Officer is also responsible for entering all orders on the school's finance system (FMS), collecting dinner money and payments for trips and other school activities.

2.7 The school's Peripatetic Bursar has responsibility for preparing statements and analysis of expenditure, and other financial information, at the request of the Headteacher. These include:

- Update /maintain the school's financial system
- Monitor spending against budget and report variances
- Produce financial reports as requested for the Headteacher
- Ensure adequate cash flow
- Ensure Construction Industry Scheme (CIS), Value Added Taxation (VAT) and payroll legislation is adhered to.

2.8 The Administration Manager is responsible for overseeing the work of the Administration and Data officer. She is also responsible for checking the school's payroll, starters and leavers and submit to the school's payroll provider. The Administrative Manager is also responsible for petty cash, banking, all orders, invoices, dinner money, debt collection and managing the school fund account.

2.9 Teaching staff have responsibility for the effective use of resources in the classroom and for the ordering and allocation of materials within their curriculum area.

2.10 The Premises Manager has responsibility for checking the Electricity, Gas and Water readings against the bills. He also has responsibility for ordering and allocating school keeping and cleaning materials, and for ensuring the efficient maintenance, repair and cleanliness of the school buildings.

3 Authorising Cheques / Expenditure

3.1 The Head teacher (Asarena Simon), Deputy Head teacher (Rene Africa) and Carly Richards (Inclusion Manager) are authorised to sign cheques from the school's disbursement account. Asarena Simon and Rene Africa are responsible for authorising BACS payment online up to the amount £20,000 with one authoriser and above £20,000 with two authorisers. The school's Peripatetic Bursar is responsible for uploading invoices for payment to the online banking system.

3.2 Authorisation of cheques/ expenditure up to £5000 may be made by the Head teacher. Cheques/expenditure over £5000 up to £ 49,999 must be approved by minuted decision of the Resources Committee. Cheques/ expenditure above £50,000 must approved by the full governing body.

4 Authorising Orders

4.1 Only persons named on the heading of the budget monitoring form may make an order from that budget heading, these orders must be further authorised by either the Headteacher and in her absence the Deputy Headteacher.

4.2 A member of staff approved by the governors (not the person who signed the order or checked the receipt should certify invoices for payment). This will be, the Headteacher, Deputy Headteacher, Inclusion Manager and Administration Manager

4.3 Persons with responsibility for a budget heading are responsible for that budget and must ensure that they stay within their budget allocation. Staff are not permitted to make orders against budgets falling outside of their responsibilities

At the end of each financial year budget holders will be asked to analyse the use of their budget for the previous year and present a bid for a budget allocation for the following financial year based on this evaluation.

4.4 St John of Jerusalem school must maintain a register of staff authorised to sign off orders, indicating what they are entitled to order and the budget(s) against which they are entitled to order.

4.5 The signatory of the order should be satisfied that the goods or services ordered are appropriate and needed, that there is adequate budgetary provision, and that the required quotations or tenders have been obtained, prior to authorising the order.

4.6 Orders should be passed through to the school's Administration and Data Officer. The school's Administration and Data Officer will:

- record orders as on the school's accounting system (thus raising a commitment entry) should the system allow
- send an official order to the supplier
- retain a copy on file
- return one copy to the budget holder as confirmation that the order has been placed

Where urgency requires a verbal order, it must be followed up as soon as possible with a written order.

4.7 Where a member of staff intends to buy goods or services using personal funds, prior approval from the appropriate budget holder must first be obtained, using the appropriate process.

4.8 A receipt must be produced by the member of staff when claiming back the expense. Reimbursement will be made by cheque if the amount is over £25.00. Claims under £25.00 will be reimburse through petty cash.

4.9 Should a member of staff purchase goods from their own funds without prior approval from an appropriate authoriser, no guarantee should be given for reimbursement.

4.10 Orders should include the following details:

- Specification of requirements
- Quantity required
- Name of school, delivery date and address.
- The address should always be the school's address
- Contact person's name and telephone number
- Date of issue
- All relevant prices and quotations, including any VAT elements
- Name and address of supplier and suppliers' reference, where applicable.

4.11 Orders should be filed with information on quotations sought, and any appropriate information on the need for the purchase.

5. Orders Entered as Commitments on Budget

5.1 When orders are entered onto the School's SIMS computerised accounting system, the system generates a commitment. The commitment outstanding reduces or is eliminated once the invoice is received and entered onto the system.

5.2 Committed costs should be included in the school's budget monitoring information, giving the school a much clearer position of how much they have left available to spend.

5.3 For orders under £2000 no quotations are required where there is effectively a single source of supply or fixed price (e.g., in the case of books), but value for money must be sought.

Where “competitive tendering” is possible at least two oral quotations are required. A written record must be made of these quotations.

5.4 For orders above £2000 but under £10,000 no quotations are required where there is effectively a single source of supply or fixed price, but value for money must be sought. Where “competitive tendering” is possible at least two written quotations are required.

5.5 Orders over £10,000 must be referred to the Resources Committee.

5.6 The Premises Manager must obtain at least two verbal quotes for any repair that needs to be undertaken, he should record these in a ledger and consult with the Head teacher (or in her absence the Deputy) before authorising a repair. Any expenditure for repair above £1000 must be made after consultation with the Chair of Governors.

6. Virements

6.1 The Headteacher may authorise the virements of up to £5,000.

6.2 Virements of over £5000 up to £49,999 must be approved by the Resources Committee.

6.3 Virements above £50,000 must be approved by the full Governing Body.

7 Register of Pecuniary Interests

7.1 The Relevant Body will keep a register of the pecuniary interests of members of staff and the Governing Body.

8 Charging for School Activities and Visits.

8.1 Governors make no charge for school activities and educational visits. However, the school will ask parents to make a contribution towards the cost of visits and activities.

9 School Fund

9.1 The purpose of the School Fund is to resource special or unexpected items of expenditure.

9.2 The Relevant Body has overall responsibility for the administration of the School Fund which is delegated to the Resources Committee, and further delegated to the Head teacher. The accounts must be approved annually at the last Governors meeting of the academic year.

The Resources Committee must receive statements of income and expenditure each term and has responsibility for appointing an Honorary Auditor. The Administration Manager has responsibility for acting as treasurer, keeping records of income and expenditure and for producing statements of income and expenditure at the request of the Head teacher.

10. School Assets

10.1 A Log Book detailing valuable items of equipment (mainly electrical equipment) with a value of over £100 is to be maintained by our Premises Manager.

10.2 A full asset check should be undertaken annually by the Premises Manager and a member of our Resources Committee.

10.3 Registered assets may only be sold or written off with the prior approval of the Head teacher. A note should be made of the date and reason for disposal or sale.

11 Insurances

11.1 Responsibility for the insurance of the school site is divided between the LEA, the School Governors, School Employees and school Premises Manager.

11.2 The LEA insurance for the school, its official assets and its employees and governors is detailed in the boroughs LMS Scheme.

11.3 The School Governors hold insurance policies for:

- a. the school buildings through a block scheme administered by the L.D.B.S.
- b. Governors legal expenses through a block scheme administered by the L.D.B.S.

11.4 Insurance of personal property is the responsibility of individual employees, visitors and other users of the school premises. Workmen employed for repairs and maintenance work are required to have their own Public Liability Insurance.

This policy is to be read in conjunction with the School's Financial Procedures Manual.



Note: This policy will be reviewed annually