

The Levett School



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Positivity | Determination | Reflection | Integrity

School Fund Policy

<i>Policy agreed by Governors on:</i>	16 th November 2021
<i>Review date for Governors:</i>	November 2023
<i>Allocated Group/Person to Review:</i>	School Business Manager
<i>Agreed frequency of Review, by allocated person:</i>	Every two years
<i>Last Review date:</i>	16.11.21

Lower School, Melton Road, Sprotbrough, Doncaster, DN5 7SB

Upper School, Lansdowne Road, Intake, Doncaster, DN2 6QN



Doncaster
Council

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1. Statement of intent

At The Levett School we are committed to ensuring effective and efficient use of all funds. Voluntary funds, sometimes known as private funds, are funds (other than the council's) controlled wholly or in part by an employee by reason of their employment or, in the case of governors, position given at the school. They include monies collected from pupils for school activities.

This policy has been established to ensure that the school meets all expected standards when handling private funds. All members of staff are required to adhere to the policy when dealing with the private funds of the school.

Funds will only be used for the purchase of alcohol in exceptional circumstances and only on the approval of the Executive Headteacher.

2. Summary of general requirements

- 2.1. An appropriate financial and managerial framework is in place.
- 2.2. All private funds are clearly titled, contain the school name and do not contain reference to any individual.
- 2.3. Cheques are never pre-signed.
- 2.4. Bank accounts are reconciled frequently.
- 2.5. All income is receipted and banked promptly.
- 2.6. Appropriate and accurate financial records are maintained.
- 2.7. All cash is counted and reconciled in the presence of two people.
- 2.8. Receipts are retained in support of all payments.
- 2.9. Private funds are kept separate from all other school funds.
- 2.10. Private funds are independently audited.
- 2.11. No collected monies are ever paid into personal accounts.
- 2.12. All staff are made aware of this policy.

3. Roles and responsibilities

3.1. The governing body has a responsibility to ensure:

- A policy is clearly defined and agreed, with minutes taken, for the purpose of managing private funds.
- They are made fully aware of all private funds and are made aware of any changes to fund arrangements.
- The fund is administered in accordance with the established procedure.
- The appointment of suitable auditors.
- Audited annual statements are received within three months of the end of the fund's financial year as soon as possible
- They receive explanations on the administration and conduct of the fund.
- They receive a reconciliation of the fund to cash and bank balances at least annually.
- They are consulted on all major purchases over £500.
- Compliance with the Charity Act 2006.

3.2. The School Business Manager:

- Is responsible for the organisation and control of all private funds.

- Must ensure all members of staff dealing with funds are fully aware of procedures.
- Carries out periodical checks such as confirmation of monthly reconciliation carried out by the Finance Assistant.
- Recommends to governors suitably qualified persons to act as auditors.
- Ensures that all records are retained.
- Provides explanations as required to auditors.
- May delegate some of these duties but remains responsible for their implementation.

3.3 Finance Assistant

- Will take on the role of Treasurer
- Carries out regular reconciliations of the School Fund and raises any issues with the Business Manager
- Checks bank statements to verify accurate accounting of funds in and out of the account
- Maintains a register of all private funds.

3.4 Teaching staff:

- Must keep suitable records in accordance with guidelines when involved in trips, visits and sponsored events.
- Must ensure all income collected is handed to the fund administrator regularly.

4. Income

4.1. The main sources of income to the fund are:

- Voluntary contributions towards the costs of school trips.
- Parental contributions.
- Fund-raising activities.
- One-off donations.
- Interest on deposited money.

4.2. All income must have supporting paperwork. At a minimum, all transactions must have a supporting remittance record of all payments (cash and cheque) received with a copy of the paying-in slip. Whenever possible a third independent member of staff should verify any cash received from fundraising etc.

4.3. All transactions should be supported by a sequentially numbered and dated School Fund voucher.

4.4. Cash & cheques are deposited intact with no 'netting-off' of expenditure.

4.5. Income is banked on a termly basis or whenever income reaches £300.00, whichever comes sooner.

5. Expenditure

- 5.1. Expenditure may be incurred in accordance with the following guidelines:
- Income from school fund-raising activities and any deposit interest may be used for any expenditure that supports the aims of the fund.
 - Income from parental contributions should be utilised for expenditure on educational resources.
 - Expenditure on visits should be matched by parental contributions. Charges should be levied such that no profit is made.
 - Income from charitable, parental or other donations for named projects may only be used for the named project.
- 5.2. Payments will only be made from the funds when supported by an authorised invoice or voucher. All transactions should be supported by a sequentially numbered and dated School Fund voucher.
- 5.3. Expenditure transactions are processed by the Finance Assistant and authorised by the Business Manager.
- 5.4. Details of all payments are entered in the private fund record book.
- 5.5. Supporting paperwork is filed in date order.

6. Banking arrangements

- 6.1. Bank accounts are to be maintained at Lloyd's bank.
- 6.2. All bank accounts must be in the name of the school and not in the name of any individual.
- 6.3. Due consideration should be given to current account balances to ensure funds which are surplus to immediate requirements are lodged in a deposit account or with a building society.
- 6.4. Signing authorities (mandates) should detail that cheque withdrawals require one signature. Signatories should be of suitable seniority and be reviewed annually. The following two people are authorised to sign on the account:
- Karen Green, Headteacher
 - Beverley Jones, Business Manager
- 6.5. Blank cheques must never be pre-signed.
- 6.6. Cash and cheques should be banked regularly and whenever sums exceed £300.
- 6.7. Cash/cheques should be deposited intact by the day of banking with the fund administrator.

- 6.8. Collections should be verified and receipted by the fund administrator.
- 6.9. Cash must never be left on an unattended desk or in a locked drawer.
- 6.10. Income should be segregated from official funds and held in a lockable cash box prior to banking.
- 6.11. Personal cheques must not be cashed through private funds and private funds must not be operated through personal bank accounts.
- 6.12. Loans must not be made from private funds.

7. School Fund cash

- 7.1. The Finance Assistant is responsible for administering the cash system. The cash is kept in a cash box and stored in a safe in the Lower site finance office.
- 7.2. All claims are only reimbursed on production of a valid receipt attached to an authorised school fund cash voucher. The limit for an individual claim is £50. Cash can only be claimed if authorised by the Business Manager or Headteacher.
- 7.3. The Finance Assistant enters the details of the claim into a manual cash book, and each cash voucher is sequentially numbered. This number is recorded on the receipt, along with the claimant's name and the analysis of the expenditure. The claimant signs the voucher as receipt for the money and it is counter signed by the Business Manager. All transactions should be supported by a sequentially numbered and dated School Fund voucher
- 7.4. The Business Manager enters the details of each transaction into the accounts system and signs the school fund cash book as authorisation.

8. Accounting records

8.1. Cashbook maintenance:

- Financial records are maintained to account for all transactions. The cashbook highlights all income and expenditure which enables the production of year-end accounts and the preparation of statements.
- All cashbook entries are supported by evidence such as statements of income and paid invoices. These are numbered and cross-referenced in the cashbook.
- The cashbook is updated daily.

8.2. Bank and cash reconciliations

- Bank statements are reconciled to the transactions in the cashbook on a termly basis. All individual items of income and expenditure are matched to the items on the bank statement.

- If a cheque is not presented within six months, it becomes out-of-date and cancelled. The relevant amount is then deducted from the expenditure side of the cashbook.
- Termly reviews of current accounts must be undertaken to ensure excessive balances do not accrue.

9. Dissolution of private funds

- 9.1.** The school's private fund will be dissolved if the school closes or amalgamates with another school.
- 9.2.** If the school amalgamates, any remaining assets will be given to the school for the benefit of the children in a charitable manner.
- 9.3.** If the school closes, any assets will be given to a local children's charity, as chosen by the governors.

10. Auditing private funds

- 10.1.** Private funds will be audited annually within three months of the end of the financial year and presented to Governors as soon as possible
- 10.2.** The funds will be audited by an independent person who is not associated with the funds in any other way.
- 10.3.** Large private funds will be audited by a qualified accountant who will provide a certificate in accordance with professional standards (see [Annex B](#)).
- 10.4.** Small funds may be audited by a suitable individual.
- 10.5.** A copy of the audited financial statements is available for viewing by parents on request.

11. Expenditure of a non-educational nature

- 11.1.** Any expenditure which cannot be deemed to be educational in nature should be carefully considered before being allocated to the school's private fund.
- 11.2.** Non-educational expenditure typically includes gifts for staff members or the provision of refreshments at staff members' leaving events etc.
- 11.3.** Non-educational spending can be made from the school's private fund as long as this is complementary to the best interests of the school, for example, for the purpose of maintaining staff morale.
- 11.4.** Any non-educational expenditure is to be made at the discretion of the headteacher.
- 11.5.** Where the headteacher refuses to exercise this discretion, some expenditure which is not for the purpose of education can be made independently of the

official accounts and the private fund. An example of this could be where staff organise collections for the purchase of gifts for fellow staff members.

12. Policy review

12.1. This policy is reviewed every **two years** by the **business manager** and the **headteacher**.

12.2. The scheduled review date for this policy is **September 2023**.

Annex A: School Fund Cash Reconciliation

Date/...../.....

Denomination	£	P
1p		
2p		
5p		
10p		
20p		
50p		
£1		
£2		
£5		
£10		
£20		
Total cash		
Vouchers - Not yet reimbursed		
Total Cash held		

	£	p
Bank Balance b/fwd from/...../.....		
Cash cheques banked		
Cleared Cheque Payments made		
Bank Balance c/fwd		

Total Cash Held	
Total in Bank A/c	
Cheques awaiting clearance	
School Fund Total	

Prepared by	
Reviewed by	

Annex B: Pro forma audit certificate

Examiner's or auditor's report

Having examined the School Fund account for the year ending 2018 run by Levett School and the underlying account and financial records, I have obtained the information and explanations I consider necessary to complete the statement below.

In addition, I have not identified any significant concerns regarding these accounts which remain unresolved or undeclared in the accounts or in this report.

I certify that the accompanying final accounts (summary income and expenditure account and balance sheet) present an accurate picture of the activities and transactions undertaken through this account and of the financial position of the account at the end of the year.

Name (print):
Status (e.g. parents, accountant):
Date:
Signature:
Contact telephone number: