



*STICKLAND'S CE VE PRIMARY SCHOOL*

<b>Adopted date:</b>	<b>July 2025</b>
<b>Signature of Headteacher:</b>	
<b>Signature of Governing body:</b>	
<b>Next review date</b>	<b>July 2026</b>

**FINANCIAL PROCEDURES POLICY 2025-2026**

The objectives of this policy are to set guidelines for the establishment of sound and effective financial procedures. By complying with current financial regulations and adopting good working practices such as:

- establishing proper financial management arrangement and accounting procedures, in line with the LA, OFSTED and DfE recommendations;
- maintaining a reliable system of internal controls;
- ensuring that resources are properly allocated and that the principle of value for money is adopted;
- outlining the areas of responsibility within the school;
- ensuring that the requirements of accountability are fulfilled;
- ensuring appropriate training is undertaken by budget holders.

The school aims to operate in a transparent, ethical and accountable way which will promote effective management.

**1. Responsibilities**

1.1 **Governors** are responsible for ensuring that the school's finances are managed effectively and for approving and monitoring the budget. They should establish the financial limits of delegated authority. They complete an annual review of the school's financial controls (Schools Financial Value Standard-SFVS) which is returned to the LA by 31 March each year.

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1.2 **The Headteacher** has overall responsibility for the school’s activities and is therefore considered to be the person with overall responsibility to the Governing Body for the financial management of the school. The Headteacher should ensure that:

- the Governing Body is provided with financial advice
- proper and adequate financial systems and controls are in place
- accounts are prepared and maintained as required by the Governing Body and the LEA.

1.3 The Headteacher delegates most of the day-to-day financial management to **the Finance & Business Manager** while retaining ultimate responsibility.

1.4 **The Finance Officer** provides support to the Finance & Business Manager in the day-to-day operation of the financial systems.

**2. Financial Planning & Monitoring**

The budget is the financial dimension of the school development plan. By identifying and allocating financial resources, the school prioritises its targets and objectives and facilitates the achievement of its educational aims. By monitoring progress against budget the school can react promptly to variations against the plan to avoid deficits or excessive surplus balances.

<b>Activity</b>	<b>Detailed task Responsibility and other supports</b>
Planning the	<p>To estimate allowance, income, grants, etc LA, Headteacher, Finance &amp; Business Manager</p> <p>To identify and propose priorities in relation to the SDP Headteacher, FGB, SMT, Finance &amp; Business Manager</p> <p>To review and propose changes in staffing needs Headteacher</p> <p>To draft budget options Finance &amp; Business Manager Headteacher,</p> <p>To evaluate budget options Finance &amp; Business Manager, Headteacher</p> <p>To prepare final draft <u>budget</u></p>



	<p>finance) and investigate any discrepancies</p> <p>To report about financial matters to the FGB Headteacher, Finance &amp; Business Manager</p> <p>To produce a termly reforecast of budget outturn and recommend action to maintain a balanced budget Headteacher, Finance &amp; Business Manager</p> <p>To approve the outturn and submit to the LA by Headteacher, FGB</p> <p><b>30 June, 30 November and 28 February each year.</b></p>
Virements	<p>To recommend vire-ments Headteacher, Finance &amp; Business Manager</p> <p>To approve virements FGB</p> <p>To sign virement forms Headteacher</p>

### 3. Payroll

Payroll is contracted to Dorset Council.

The school is responsible for:

Activity	Detailed Task Responsibility
Staff Contracts	<p>Ensuring all forms are completed during recruitment together with any variations of contract are sent to Dorset Council for processing. Once Dorset Council have set up the contract, check that the details are correct.</p> <p>Headteacher, Finance Officer, Admin Officer</p>
Weekly/monthly returns	<p>To complete overtime claims and supply teacher claims and send to Dorset Council to</p> <p>Headteacher, Finance Officer,</p>

	meet payroll deadlines.  Admin Officer,
Sickness Absence Return (SAR)	To complete monthly SAR for sickness or  other absence.  Finance Officer,  Admin Officer,
Notify Dorset Council HR Monthly payroll printout	Inform Dorset Council HR of all joiners and  <u>leavers</u>  Finance Officer,  <u>Admin Officer.</u>  To check monthly printout for irregularities,  Finance Officer  including staff that have left or are not employed by the school. If actual payroll expenditure is different from budget, investigate any discrepancies.
Nominal Roll	To check staff contract details are correct Headteacher,  Finance Officer

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#### 4. Purchasing

Purchasing procedures have been put in place to ensure that the school follows the fundamental principles of probity, accountability and value for money.

Segregation of duties is used wherever possible: requisition orders are placed by the Finance Officer and authorised by the Headteacher. Invoices are processed by the Finance Officer and cheques are signed by the Headteacher. It is not possible, however, to have complete segregation of duties due to the limitation of staffing arrangements.

The school is careful to apply the principles of value for money, the governors conduct an annual review of value for money which includes:

- Annual benchmarking
- Review of contracts
- Review of top suppliers
- Review of all orders over £9,999

All purchases estimated to be above £99,999 should be put to tender and comply with the Dorset Council Contract Procedure Rules. The governors should ensure that at least three contractors are invited to submit tenders.

Three quotations should be sought for estimates of £10,000 and up to £99,999 and a value for money review form completed for the purchase.

Estimates under £10,000 should follow the principles of value for money. Non-order invoices are discouraged.

E-purchasing and telephone orders should always be authorised beforehand and supported by the issue of an official order. The same controls over

purchasing goods and services apply regardless of how the goods are paid for (eg credit card, cheque, invoices settled by Dorset Council).

Budget holders are responsible for the management of their budget account within the limit of their budget and in relation to the School Improvement Plan.

The Governing Body must update annually a register of business interests for each member of the governing body and the headteacher.

The school abides by the terms and conditions of Procurement cards (P-cards) for schools.

Activity	Detailed task Responsibility
Placing orders	<p>Requisition orders Budget holders</p> <p>Responsible for agreeing on requisition orders within limit of account budget Headteacher</p> <p>Responsible for agreeing orders above limit of account budget Headteacher</p>

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	<p>Responsible for agreeing purchase above delegated limit Governors</p> <p>Budget holder</p> <p>Responsible for obtaining quotes Finance &amp; Business</p> <p>Responsible for seeking tenders Manager</p> <p>Responsible for placing official orders Finance Officer</p> <p>Responsible for signing orders Headteacher</p> <p>Responsible for placing summary orders Finance Officer</p>
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Contd. Activity	Detailed task Responsibility
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Deliveries	<p>Responsible for checking delivery against order</p> <p>Budget holder</p> <p>Responsible for returning and/or exchanging goods</p> <p>Budget holder</p>
Invoices and Payments	<p>Processing invoices for payment/Produces file for upload to Dorset Council for payment</p> <p>Finance Officer</p> <p>Authorises Dorset Council invoice file for payment</p> <p>Head teacher</p> <p>Authorised signatory of credit card</p> <p>Headteacher, Deputy Headteacher, Assistant Headteachers</p> <p>Authorised signatures on delegated account (1 signature only)</p> <p>Headteacher, Deputy Headteacher, Assistant Headteachers</p> <p>Authorised signatures on Voluntary Fund accounts (2 signatures minimum)</p>

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**5. Cash Handling for Delegated and Voluntary Fund Accounts**

Cash handling should be kept to a minimum and whenever possible and practical, transactions should be done by cheques. Monies should be kept in a safe and secure place and promptly paid into the bank accounts.

Cash is usually collected for the following purposes:

- field trips
- revision guides
- uniform
- lettings
- personal telephone calls
- fund raising
- donations

Cash received should be promptly counted by the Finance Officer and put

away in the fireproof safe.

Audit recommendations on safe limits and transit of money should be adhered to.

Petty cash money should be kept to a minimum. All expenditure should be supported by receipts identifying any VAT paid. Payment from the petty cash fund should be limited to minor items which have been approved in advance by the budget holder. Petty cash expenditure on individual items should not exceed £20.

The following guidelines should be followed when handling cash:

- avoid counting cash in public
- avoid leaving cash unsecured in an unattended area or room ●
- use the fireproof safe to store large amounts of cash
- receipts are given for cash received from lettings or on request

Activity	Detailed task	Responsibility
Collection of money	Collection of curriculum related money	Finance Officer (in her absence SIMS Officer and Finance & Business Manager)
	Collection of money from lettings	Finance Officer, Finance & Business Manager
	Collection of money for uniform	Finance Officer (SIMS Officer)
	Collection of money for fundraising, donations, private calls and other sources	Finance Officer

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Cash received	Counting and recording of money	Finance Officer
	Preparing banking	Finance Officer
	Transporting cash to bank	Finance Officer

Petty cash management	Access to petty cash fund	Finance Officer, Finance & Business Manager
	Payment from petty cash fund	Finance Officer
	Recording of petty cash fund expenditure and receipts	Finance Officer

#### 6. Reconciliation of accounts, financial reporting and collation of information

The school needs to continually monitor its financial progress and report on it to various bodies, such as the governors, LA, OFSTED and DfE.

The school also needs to complete various claims in relation to income and expenditure.

Information gathering is an important factor in the effective management of the school's finances.

The list of reports, claims and returns, and their submission deadlines, is usually defined by the LA or the DfE.

<b>Activity</b>	<b>Detailed task</b>	<b>Responsibility</b>
Reconciliation of bank statements	Monthly reconciliation of bank statements for Delegated and Voluntary Fund accounts. Investigation of discrepancies.	Finance Officer
Reconciliation of credit card statement	Monthly reconciliation of credit card statement to finance system  Agreed by	Finance Officer  Headteacher
Reconciliation of online payment systems	Monthly reconciliation of online payment systems used by parents against income received to the bank, and payment monitoring records.	

LMS return	Monthly preparation of LMS and VAT return  Agreed by	Finance Officer  Headteacher
Automatic reconciliation of allowance account (Autorec)	Monthly reconciliation of school's data with DES  Agreed by	Finance Officer, Finance & Business Manager  Headteacher
Travel claims	Checking travel claims prepared by claimant  Agreed by	Finance & Business Manager,  Headteacher
Threshold Grant claims	Termly preparation of Threshold Grant claims  Agreed by	FGB  Headteacher

<b>Activity</b>	<b>Detailed task</b>	<b>Responsibility</b>
School Census	Annual pupil census preparation  Agreed by	SIMS Officer  Headteacher
School Workforce Census	Annual workforce census preparation  Agreed by	SIMS Officer  Headteacher
CFR Return	Preparation of annual return  Agreed by	Finance & Business Manager  Headteacher
Financial Risk & Control Checklist  SFVS (submitted to LA by 31 March each year)	Prepare annual review of financial control for <u>the Governing body</u> Completed and submitted	Finance Officer/Headteacher  her Governing body

## 7. Lettings

The school has a lettings policy which establishes the general conditions for letting the school premises.

The charging policy is the responsibility of governors and lettings fees are regularly reviewed by the full governing body.

Records are kept of bookings and invoices.

A letting contract establishes the condition of let for each individual hirer.

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<b>Activity</b>	<b>Detailed task Responsibility</b>
Lettings fees	Establishment of charging policy Full Governing Body
Contracts	Authorisation of lettings Finance & Business Manager Preparation of individual letting contracts Finance Officer
Booking and Invoicing	Monthly preparation of booking forms and invoicing Finance Officer
Collection of fees	Half termly collection of fees and follow up if necessary Finance Officer

## 8. Voluntary Fund - NA

The school holds a voluntary fund which is used for the collection of money from sources such as:

- fundraising
- trips
- sundry

The fund is managed by the Finance & Business Manager and is audited once a year. Governors receive an audit report which is minuted. Note guidance on voluntary funds available at

<https://www.dorsetnexus.org.uk/Page/3920>:

## 9. Asset Register

The Governing Body is responsible for the safe custody and physical control of stores and equipment and is required to monitor the inventory of moveable, non-capital items.

The Headteacher is responsible for ensuring that assets under his/her control

are correctly recorded in the Inventory record.

Disposal of assets should follow the procedure set down by Dorset Council.  
(see Appendix 1)

A report detailing all assets written off should be presented to the Governing Body annually.

Activity	Detailed task Responsibility
Updating inventory books	Recording of new asset Finance officer  Budget holder

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	Physical check of equipment against relevant records
Monitoring	Annual monitoring of inventory books  Headteacher
Disposal of assets	Disposal of assets with nil or nominal value  Headteacher  Disposal of assets with market value  Full Governing Body

10. Annexes

10.1 List of people with access to safe

The following people are authorised to access the fireproof safe:

Headteacher  
Finance Officer

10.2 List of people authorized to sign cheques

Headteacher  
Finance officer  
Upper PayScale teacher

10.3 Reference documents used for the management of school finances

Latest copies can be found at  
<https://www.dorsetnexus.org.uk/Page/3920> including:

Dorset Schools' Annual Cycle of Financial Review  
Scheme for Financing Schools  
Dorset Council Contract Procedure Rules  
School Financial Efficiency Policy

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*Appendix 1*

Disposal of assets is part of the Scheme for Financing Schools – see extract below.

#### **4.1 CONTROL OF ASSETS**

Schools are required to maintain an inventory of moveable, non-capital assets, excepting goods sold generally as a normal day to day school activity, and must follow the Authority's procedure for the sale or disposal of surplus goods.

Moveable property surplus to the school's requirements must not be disposed of except by sale on the authority of the governors. The sale must normally be by public auction or competitive tender but, where neither is appropriate, the governors must adopt the method which best serves the interests of the school. Where the sale is to a governor or an employee of the school or the Authority, the written authority of the Chief Executive must first be obtained.

Schools may determine their own arrangements for keeping a register of assets worth less than £1,000. This should include anything that is portable and attractive, such as a camera.

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The governing body must ensure that all inventories are reviewed at least once a

year and all discrepancies reported to the governing body. A record of all items written off must be maintained.

Each governing body is responsible for the custody and control, and maintaining proper security arrangements for buildings, stock, equipment, cash, personnel and financial records under its control. All moveable property of the school shall as far as practical be marked as school property.

If it appears to the Head Teacher that there are deficiencies of equipment or stores, a report must be made immediately to the governors and the Chief Financial Officer, who may authorise the items to be written off. The Governors must maintain a record of all items written off. Where it is suspected that money or property of the school has been stolen or otherwise misappropriated, or that a financial irregularity has occurred see paragraph 4.17 below.