

# FRIENDS OF ST PAUL'S

## POLICY FOR THE FINANCIAL ADMINISTRATION OF THE FRIENDS OF ST PAUL'S

### 1. Introduction

The Governing Body of St Paul's RC Primary School is committed to establishing high standards in financial management, control, administration and the achievement of value for money to ensure that resources are used efficiently and effectively and with strong financial governance. Thus, school voluntary funds are to be administered as rigorously as public funds.

### 2. Summary of Standards

The financial standards that apply to the school's public funds apply to the voluntary funds as follows:

- 2.1. **Governance** – The responsibilities of the Governing Body and of the Friends of St Paul's are clearly defined and limits of delegated authority is clearly established.
- 2.2. **Financial planning** – Expenditure against the voluntary funds will reflect the school's prioritised educational objectives and seek to achieve value for money.
- 2.3. **Budget monitoring** - Regular monitoring of income and expenditure is central to effective financial management.
- 2.4. **Purchasing** – FOSP will ensure that purchasing arrangements achieve the best value for money taking into account quality as well as cost.
- 2.5. **Internal controls:**
  - i. *Financial controls* – FOSP has established sound internal financial controls to ensure the reliability and accuracy of its financial transactions.
  - ii. *Income controls* – All income due to the school is identified and all relevant collections are receipted, recorded, banked promptly and accounted for accurately.
  - iii. *Banking controls* – FOSP properly controls the operation of its bank account and reconciles bank balances with the accounting records.
  - iv. *Tax* – FOSP complies with VAT and other tax regulations.

## 2.6. **Assets and security**

- i. FOSP has very few physical assets and the FOSP insurance policy covers these.
- ii. Insurance is in place to cover FOSP activities as well as for the transporting of cash to the bank (£1,000 max).
- iii. Cash held at school will be stored securely (cover £4,000) until banked.
- iv. The Data Protection Act 1998 is complied with in relation to personal data held electronically and on manual records. FOSP does not hold pupil identification details.

## 3. Governance

- 3.1 FOSP have a delegated limit for expenditure of £300. This limit allows FOSP to respond to smaller requests from school in a prompt manner. It also allows for necessary expenditure for FOSP events to be undertaken. Expenditure against this limit is subject to approval by the FOSP Chair(s) and Treasurer.
- 3.2 Expenditure above the £300 limit must come via a signed request from the Governors and/or Headteacher to the FOSP Chair/Treasurer. This will then be discussed with the Chair of Governors and, if approved, reported at the next FOSP meeting and Finance and Policy Committee. See appendix 1.

## 4. Financial Planning

- 4.1 The Governing body will require the FOSP Chair and Treasurer to produce an annual statement confirming that adequate financial controls are in place. This will be carried out via the Annual Audit Action Plan.
- 4.2 FOSP will be informed, by the Governors and/or Headteacher, of any anticipated expenditure in line with the School Improvement Plan so that appropriate planning can take place.
- 4.3 The Governing Body review annually the adequacy of the financial management information provided.

## 5. Budget Monitoring

- 5.1 The Policy and Resources Committee will receive I&E reports on a termly basis.

## 6. Purchasing and expenditure

- 6.1 In line with school policy, any major purchases will be made in line with best value and subject to the school's procedures for purchases in excess of £3,000.
- 6.2 There are three authorised signatories and a copy of authorised signatures is kept.
- 6.3 All goods and services are checked and recorded on receipt to ensure they are in accordance with the order.
- 6.4 All invoices are paid within the time limits specified by law for payment of debts.
- 6.5 An authorised person will certify invoices for payment. This person will be independent from the person who authorised the order.
- 6.6 Reimbursement of expenses will be done by cheque only.

## 7. Internal Controls

### *Financial Controls*

- 7.1 There are 3 authorised signatories.
- 7.2 Two authorised signatories are required on cheques.
- 7.3 Only manuscript signatures are used and cheques are not presigned.
- 7.4 Original documents such as cheques and receipts must not be altered.
- 7.5 Accounting records are retained in accordance with arrangements specified by the LEA.
- 7.6 Records are kept to ensure that transactions are traceable from original document to the accounting record.
- 7.7 All income and expenditure transactions will be recorded in the main excel cash book and will be updated weekly.
- 7.8 A non-signatory will carry out regular checks on the FOSP records (termly).
- 7.9 All records and books of accounts will be audited on an annual basis by a suitably experienced person. Accounting records will be stored for 7 Years in line with LA recommendations.

### *Income Controls*

- 7.10 All monies collected are receipted (by school staff as applicable) and banked completely and promptly.
- 7.11 Any cash amounts over £50 will be banked immediately. Cash amounts under £50 may be held in a petty cash safe by FOSP treasurer and banked monthly. The PTA insurance policy covers this as it is held in a locked safe.
- 7.12 Class lists will be maintained by school staff to record income when receipts are not issued.
- 7.13 All income received will show evidence of two officers involved in counting and verifying. Additionally, FOSP will sign the cash income book to confirm collection of the cash ready to be banked.
- 7.14 All bank accounts are properly administered and the accounts are reconciled to bank statements on a monthly and quarterly basis.
- 7.15 Bank reconciliations prepared by the Treasurer are to be verified by two individuals identified and elected by FOSP who are not authorised cheque signatories
- 7.16 All cash and cheque books are locked away for safety.

### 8. Lottery Returns

- 8.1 Lottery returns to be submitted annually as per instruction by Trading Standards. This return must be signed by the Treasurer and a copy retained for inspection.

FOSP

Reviewed June 2017

# FRIENDS OF ST PAUL'S

## FUNDING REQUEST

In line with the Policy for the Financial Administration of FOSP the following expenditure request has been made.

The attached request dated \_\_\_\_\_ for an amount of  
£ \_\_\_\_\_

has been approved by the Headteacher \_\_\_\_\_.  
(Signature)

It was discussed with the FOSP Treasurer and recommended for approval by the  
Governors \_\_\_\_\_.  
(Signature - FOSP Chair)

Consideration has been given to the request by the Chair of the Governors and  
the request

confirmed/declined. \_\_\_\_\_  
(Signature - Chair of Governors)

This request will be discussed at the next FOSP meeting and notified to the  
Governors via the next meeting of the Policy and Resources Committee.

Signed:

FOSP CHAIR

Date: