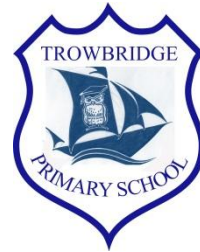


The Oaks Federation



Private School Fund Policy

PRIVATE SCHOOL FUND

1. PURPOSE OF THE FUND

This policy outlines the procedures adopted by the Governing Body of The Oaks Federation on the management and administration of private funds. Private funds are those monies which do not belong to Cardiff Council but which schools are accountable for or have involvement with in the course of raising academic standards. The school private fund exists to provide additional materials and opportunities to enhance the learning experiences of children. The fund is used to provide items over and above those provided for through the school's delegated budget.

1. GENERAL REQUIREMENTS

The Governing Body has management and administration measures in place to ensure that:

- (a) an appropriate financial and managerial framework is in place;
- (b) private fund bank accounts are clearly titled, contain the name of the school and do not contain reference to Cardiff Council or any individual;
- (c) a minimum of two people sign cheques, and that cheques are never pre-signed under any circumstances;
- (d) bank accounts are reconciled frequently to the cashbook and never go overdrawn;
- (e) all income is receipted and banked promptly and in total (i.e. that payments are not made from cash received prior to it being banked);
- (f) appropriate and accurate financial records are maintained to account for all transactions;
- (g) all cash is counted and reconciled in the presence of two people;
- (h) receipts/invoices are retained in support of all payments and that accounting records are kept for six years plus the current year;
- (i) the school private fund is kept completely separate from the school delegated budget and other official Cardiff Council monies;
- (j) the cash held on the premises will not exceed the insurance limits set by the Council's insurers;
- (k) the formal set of accounts is audited independently;
- (l) under no circumstances are monies collected, either for official or private funds, paid into personal accounts; and
- (m) all relevant staff are aware of this policy.

3. EXAMPLES OF USE

The school fund may be used for the following purposes:

Subsidy of school trips, tours, outdoor pursuits courses, etc.
Fund raising activities such as fetes, bazaars, sales of work
Concerts, discos, dances
Raffles, prize draws, 100 clubs, sponsored events, charity collections

Tuck / fruit shops, vending machines
Donations
Pupils' Christmas parties
School photographs
Pupil prizes at the end of the academic year

No member of the Governing Body or member of staff should have a financial interest in the supply of goods or services to the private fund.

The school private fund will not be used for:

Staff functions and activities, such as savings clubs, Christmas meals
Leaving gifts or presents, e.g. flowers
Payments to staff for additional work undertaken / travel and subsistence
Loans / Advances of salary
Reimbursement for theft of or damage to property
Course registration and examination fees
Mentoring Payments
School budget related payments, including petty cash purchases

4. POWERS OF THE GOVERNING BODY

In addition to any other powers which the Governing Body may have, they may exercise the following powers in furtherance of their list of objects:

- (a) power to raise funds and to invite and receive contributions, provided that in raising funds the Governing Body should not undertake any substantial permanent trading activities;
- (b) power to incur expenditure in accordance with the objects of the school private fund.

5. ADMINISTRATION

The official title of the school fund is Greenway Primary School Fund and Trowbridge Primary School Fund

The day to day management of the fund is the responsibility of the Headteacher, although overall responsibility for the fund lies with the Governing Body. The

Governing Body will comply with all relevant statutory and locally agreed accounting requirements, relevant to the income and expenditure level of the private school fund, particularly with regard to:

- (a) the provision of an audit trail for each transaction, incorporating receipts, vouchers and invoices;
- (b) the safekeeping of all assets of the school private fund;
- (c) the keeping of accounting records of the school private fund;
- (d) the preparation of annual statements of account for the school private fund; and
- (e) the auditing or independent examination of the statement of accounts for the school private fund.

When arranging the duties of staff in relation to the activities of the fund, the Governing Body ensures that no one is able to carry out all aspects of a transaction alone. Duties are separated to ensure that the responsibilities of one person are automatically checked by another, thus reducing the potential for error or any misuse of funds.

A fund management committee exists, comprising of a Chairperson, Treasurer and members of the senior staff to decide on spending priorities and fund raising needs. This committee meets as required.

Banking

The school private fund is banked in a Lloyds Bank current account. Bank accounts are reconciled frequently (at least monthly) with the cashbook, and any queries followed up immediately.

Income

All income is receipted as the receipts provide the payer with evidence that money has exchanged hands. They are also a means of recording the amounts of income received and dates of the transactions. A copy of the receipt is retained in the office.

Income is recorded in the ledger and banked promptly. All cash and cheques are listed on both copies of the paying-in slip. For each cheque, the amount and the name of the payee is also recorded.

Donations are clearly identified in the ledger with a description of what the money can be spent on. This money will only be spent as intended by the donor and the expenditure always made clearly identifiable in the ledger.

Expenditure

Payments are made by cheques, wherever possible. Where payments have no other option than to be made in cash, full details are kept including receipts, which account for the money spent.

Where cash is issued, it is signed for by the recipient and the reason recorded. As appropriate authorisation is always obtained before a payment is processed, full details of payments are made available to the cheque signatory when they are requested to sign cheques.

For expenditure below £3000 the agreement of the Headteacher is sufficient. For purchases over £3000 but below £5000, the approval of the fund committee must be obtained. For purchases over £5001, the approval of the Governing Body must be obtained.

Cheque signatories are the Headteacher, Deputy Headteacher and SLT; all cheques are signed by at least two persons against relevant documents supporting the payment.

6. ACCOUNTING RECORDS

Financial records are maintained to account for all transactions, particularly money paid into the bank. The cashbook/computer highlights all income and expenditure which enables the production of year-end accounts and the preparation of statements on the costs of individual events/trips/sales etc.

All cashbook/computer entries are supported by documentary evidence such as statements of income collected and paid invoices. These vouchers are numbered and cross-referenced in the cashbook.

The cashbook/computer is updated daily.

Bank statements are reconciled to the transactions in the cashbook on a regular basis, usually monthly. This involves matching all the individual items of income and expenditure to the items on the bank statement and agreeing back to the balance held at the bank at a specific date.

7. AUDIT

The school private fund has a financial year end of March 31st for Greenway and August 31st for Trowbridge. A summary of income and expenditure, and a summary of balances, is prepared annually by the fund treasurer.

The financial statements are audited within a month of these dates by an independent person. He / she is considered to be a suitable person to audit the fund, having regard to the nature and complexity of it.

Audited accounts are presented to the Governing Body each year for formal approval, in accordance with the Council's Financial Procedure Rules for Schools.

8. DISSOLUTION

If the Governing Body decides that it is necessary or advisable to dissolve the school private fund, a meeting will be called of all the members of the Board of Management. If the proposal is confirmed, the Board of Management will have the power to realise any assets held by or on behalf of the school private fund. Any assets remaining after the satisfaction of any proper debts and liabilities should be given or transferred to such other school private fund or institution having objects similar to the objectives of this school private fund as the members of the governing Body determine or, if that cannot be done, shall be applied for some other purpose approved by the Local Authority.

Where a school is closing and becoming part of a newly amalgamated school the closing school must ensure that all transactions have been accounted for and provide a final set of accounts for the auditors as soon as possible after the closing date. The

bank account relating to that fund must be closed and any balance transferred to the account of the newly amalgamated school. The balance should then be treated as income and accounted for accordingly. You should then audit the closed account. In the event of a School Closing and the dissolving of the private fund the Local Authority must be informed

9. APPROVAL OF THE CONSTITUTION

This policy will be formally approved by all members of the Governing Body on an annual basis. This approval will be minuted in the formal minutes of the Governing Body. Any amendments to the document will also be minuted in the formal minutes of the Governing Body.