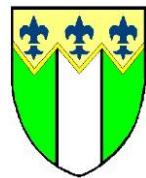


Friern Barnet School

Financial Management and Procedures Policy



FINANCIAL MANAGEMENT POLICY & PROCEDURES

Contents

Finance Policy.....	2
Financial Objectives	2
1. Organisation of responsibility and accountability.....	3
2. Budget	5
3. Internal Financial Control	8
4. Accounting system.....	9
5. Accounting for 'Other' Income using ParentPay	9
6. Insurance	10
7. Computer Systems.....	10
8. Purchasing, Tendering and Contracting Requirements.....	10
9. Personnel and Payroll.....	12
10. Security of stocks and other property.....	14
11. Income.....	15
12. Lettings (Lettings Policy – Appendix C).....	15
13. Banking	15
14. Tax.....	16
15. Unofficial Accounts (Amenities)	16
16. Schools Financial Value Standard (SFVS).....	17
17. Whistleblowing.....	17
18. Provision of Financial Information and reports.....	17
19. Payment of Invoices	17
20. Audit	17
21. Register of Business Interests (Appendix D).....	17
22. Notice of Concern.....	18
23. Fraud.....	18
24. Borrowing by the school /Loan Scheme	18
25. Construction Industry Scheme (CIS).....	19
26. Right of Access to Information	19
27. Special Educational Needs / High Needs.....	19
28. Repairs & Maintenance	19
29. Health & Safety.....	19
Appendix A: Credit Card Policy	20
Appendix B: Collection of Income	24
Appendix C: Lettings	25
Appendix D: Register of Business Interests.....	26

Finance Policy

The school seeks to develop a system of quality financial management, which will lead to sound financial decisions being made in an efficient and effective manner.

This policy has been drafted in line with the London Borough of Barnet's Scheme for Financing Schools. Practices described arise out of the implementation of Fair Funding employed here since April 1999 under Section 48 of the Schools Standards and Framework Act 1998, and it conforms to Contract Standing Orders.

The Governing Body will convene at least once a term. The Governing Body will apply the principles of best value to all financial and school dealings. To ensure the most effective, economic and efficient means available, the governing body will, wherever possible and necessary:

- challenge how and why a service is provided (including consideration of alternative providers)
- compare performance against other schools considering the views of parents and pupils
- consult with stakeholders especially parents and children
- compete to secure efficient and effective services

Financial Objectives

- That the responsibilities of the Governing Body, its committees, the Head Teacher and staff should be clearly defined and the limits of the delegated authority be clearly established.
- That the budget should reflect the school's priorities and educational objectives, seek to achieve value for money and be subject to regular and effective monitoring.
- That the school's budget will not result in a deficit position. Should this be the case, the school will follow the 'Deficit Budget Procedures' as set out in the 'Scheme for Financing Schools'.
- That the school should establish sound internal controls to ensure the reliability and accuracy of its financial transactions.
- That the school should be adequately insured against exposure to risks.
- That the school should be registered under the Data Protection Act of 2018 and all data protected against loss, in line with the UK's implementation of the General Data Protection Regulation (GDPR).
- That the school should ensure that the purchasing arrangements achieve the best value for money.
- That there should be efficient procedures for the administration of personnel matters.
- That stocks, stores and other assets should be recorded, inventoried, and adequately safeguarded against loss and theft.
- That all income due to the school be identified, registered, and banked promptly.
- That the school should properly control the operation of bank accounts and reconcile bank balances and accounting records.
- That the school voluntary funds (amenities) should be administered as rigorously as official funds.

1. Organisation of responsibility and accountability

The Governing Body and Head Teacher

The Governing Body and the Head Teacher are responsible for the management and deployment of resources within the school's budget according to the educational needs and priorities of the school.

The Governors' Finance Committee

Monitors the future planning, budgeting and current use of financial resources on behalf of the Governing Body, makes decisions in line with its delegated responsibility, and makes recommendations as necessary for consideration by the full Governing Body.

Before 20 May each year, the Committee will present a Budget Plan for the following financial year and 2-year forecast to the full Governing Body for their consideration and approval.

The Committee membership is as stated in the main Governing Body document. It will elect its own Chair, subject to the approval of the Governing Body. Members of the School Finance Team will be co-opted to this Group as non-voting members.

The Group will meet each May to review the Budget Plan for the following financial year, prior to it being presented to the full Governing Body for their consideration and approval; other meetings will be convened throughout the year as required. Budget plans will be linked with the School Improvement Plan.

School Finance Team

The Team will consist of the Head Teacher, the Business Manager and the Finance Officer. Its purpose will be to manage and scrutinise in detail the use of the school's financial resources and to maintain budgetary control.

The Team will prepare statements and reports giving details of the use of Financial Resources in the current year for the consideration of the Governors' Finance Committee and the full Governing Body.

The School Finance Team will also prepare draft budgets of future expenditure for the consideration of the Governors' Finance Committee and the full Governing Body.

Delegation of responsibility

The Governing Body and the Finance Committee are responsible for ensuring that the school carries out its financial management responsibilities in accordance with its terms of reference, the scheme, the Financial Guide for Schools and the SFVS.

The Head Teacher is responsible for the overall financial management of the school. The Head Teacher may devolve some of this responsibility to staff within the school.

Main School Funds

No member of staff is authorised to approve expenditure or reimbursement that they have undertaken themselves.

The Governing Body

- The Governing Body delegates the responsibility for virements over £10,000 to be approved by the Chair of the Governors' Finance Committee
- The Governing Body can approve capital works up to the value of £250,000.
- The Chair of Governors and the Chair of the Finance Committee are authorised signatories
- The Governing Body must approve any claims for expenditure made by the Head Teacher

The Governing body delegates its powers as follows:

The Head Teacher

- The Head Teacher may approve virements up to the value of £10,000
- The Head Teacher is given authority to be the sole signatory on the school's main account up to the value of £1,000, and one of two authorisers for any electronic payments over £1,000
- The Head Teacher is authorised to sign official school orders
- The Head Teacher is authorised to approve salary changes. The Head Teacher is authorised to approve petty cash expenditure

The Senior Leadership Team (SLT)

- The Deputy Head Teachers and the Business Manager are given authority to be the sole signatory on the school's main account up to the value of £1,000, and one of two authorisers for any electronic payments over £1,000
- The Business Manager is authorised to sign documents relating to salary changes that have been approved by the governors and / or the Head Teacher
- The Deputy Head Teachers and the Business Manager are authorised to approve petty cash expenditure.

The School Finance Team

The Finance Officer is authorised to sign official school orders to a value of £5,000. Orders exceeding this amount must be countersigned by an authorised signatory.

Unofficial Funds

One authorised signatory is required for any cheques or transfer of funds for the school's unofficial account (the Amenities Account). Authorised signatories are:

- The Head Teacher
- The Deputy Head Teachers
- The Business Manager
- The Chair of Governors
- The Chair of the Finance Committee

In the event of an authorised signatory leaving the school, revised mandates are to be prepared and sent to the relevant authorities for action and reference.

Virement

The Head Teacher will be delegated authority by the Governing Body to vire from one budget head to another up to a maximum of £10,000 per virement. The Head Teacher will report all virements to the following meeting of the Governors' Finance Committee.

For virements exceeding £10,000, the approval of the Governors' Finance Committee must be obtained. If necessary, initial approval for such transactions may be given by the Chair of the Governors' Finance Committee, subject to ratification at the next meeting of the Committee.

2. Budget

Budget

In each year, upon submission of the provisional allocation of the school's budget (no later than 28 February), the school's Finance Team must prepare draft estimates of income and expenditure for presentation to the Governors' Finance Committee.

The budget plan must be in the format prescribed by the CFO, taking account of any surplus / deficit as at the previous 31 March.

The full Governing Body must consider and approve the budget plan by 20 May and report it to the CFO by 30 May.

The school is required to submit the annual budget and 2-year forecast in a format prescribed by the CFO and set out the school's intended expenditure for the financial year and the assumptions which underlie it by 30 May. Any amendments may be submitted quarterly.

Surplus balances

The school can carry forward from one financial year to the next any shortfall in expenditure relative to the budget share for the year, plus or minus any balance brought forward from the previous year. This is subject to controls on surplus balances as set out in the Scheme for Financing Schools. A school's balance at the 1 April of any financial year is equal to the balance as at the 31 March in the previous financial year.

Budget administration

- The school budget is linked to the School Improvement Plan (SIP). The SIP covers the school's educational priorities and the budget plans for at least three years, showing how the use of resources is linked to the achievement of the school's goals
- The draft budget is prepared by the Head Teacher and Business Manager, scrutinised by the Finance Committee (as delegated by the full GB) and approved and ratified by the full Governing Body
- When this has been completed the Business Manager will administer the budget and monitor it regularly
- The Finance Officer will check the statements of accounts sent by the LA monthly and any errors and omissions will be notified to the LA for correction

- The Business Manager presents budget monitoring reports to the Finance Committee and to the full Governing Body termly, showing income and expenditure against budget. The monitoring report identifies significant variances between the actual income / expenditure and budget
- The reasons behind these variances are investigated and documented; corrective action is taken as appropriate and recorded
- The allocation of funding is split into two main categories, Revenue and Capital
- The revenue is sub-divided into three sections i.e., employees, premises and supplies and services
- The school also receives an allocation for grant funding and any changes to the allocation are implemented on a regular basis

LA Financial Regulations and Standing Orders

- The school operates within the limits of its delegated budget and abides by the Authority's Contract Standing Orders
- The school bank accounts will not be overdrawn
- Audit recommendations will be implemented
- The school will make no gift or payment in cash or kind

Arrangements

The school will abide by the LBB Contract Standing Orders for Schools (October 2010) with Delegated Budgets. For any contract with a value between £10,000 and £75,000 two estimates will be sought. For any contract with a value between £75,001 and £173,934, three estimates will be sought. Formal tendering procedures will apply to any items estimated above £174,000, and the countersignature of an LA Officer will be required.

The Governing Body, through the Head Teacher, will delegate responsibility for the use of certain aspects of the school budget to Heads of Faculty and other managers in the school. All those having responsibility for expenditure are referred to below as budget holders.

Budget holders will only use official purchase order request forms for all goods and services to be purchased, except for Amazon orders. They will order goods in accordance with the principles of Value for Money described below. Budget Holders will be responsible for ensuring that they do not spend beyond their allocated Budget. The Finance Officer will monitor these arrangements.

Blank purchase order request forms are available to Budget Holders on the school's s:drive. The Finance Assistant will raise purchase orders from these request forms in the Arbor system. All purchase order forms will be checked, coded and signed by an authorised signatory before being sent to suppliers, in accordance with the requirements of the CFO.

The Finance Officer keeps account of income, commitments made by orders being placed, and expenditure resulting from these orders.

On receipt of the Goods or Services ordered, the Budget Holder will be required to confirm the satisfactory completion of the order by the supplier by signing and dating the delivery note as evidence of receipt; the delivery note will be filed with the purchase order and invoice. On

receipt of the invoice and such confirmation from the Budget Holder, the Finance Officer will issue payment of the invoice. It is the responsibility of the Budget Holder to ensure that all paperwork relating to receipt of goods / services is forwarded to the Finance Officer without delay.

Cheques / BACS payments will be signed by authorised signatories in accordance with the requirements of the CFO.

Authorised signatories

Orders

- The Head Teacher
- The Business Manager
- The Finance Officer
- The Chair of Governors
- The Chair of the Finance Committee

Mandates will be held by the CFO, who will also be an authorised signatory.

Cheques

- The Head Teacher
- The Business Manager
- The Deputy Head Teachers
- The Chair of Governors
- The Chair of the Finance Committee

Mandates will be held by the CFO, who is also an authorised signatory. Cheques for less than £1000 in value require one signature. Cheques of a greater amount require two signatures.

Electronic BACS Payments

- The Head Teacher
- The Business Manager
- The Deputy Head Teachers

Are given authority to be the sole authoriser on the school's main account for any electronic payments up to the value of £1,000. Two authorisers are required for any electronic payments over £1,000.

Petty Cash

- The Head Teacher
- The Business Manager
- The Deputy Head Teachers
- The Chair of Governors
- The Chair of the Finance Committee

Mandates will be held by the CFO, who is also an authorised signatory. Cash reimbursement will be made for small amounts only (and will not exceed £20 in any one transaction).

Reimbursement will be made by the Office Manager to an individual upon receipt of an authorised petty cash claim and original receipts for the item(s) claimed. The maximum amount of petty cash held will not exceed £500.

Efficiency and Value for Money

In accordance with the Financial Guide for Schools, the school seeks to ensure efficiency and value for money in the use of its resources to invest in teaching and learning, and raising achievement, ensuring every student achieves their potential.

The school will seek to benchmark expenditure against other schools and review how to make improvements.

To this end, the Governing Body, through the Governors' Finance Committee and the Head Teacher will determine how to secure better value for money using the School Improvement Plan and the planning of future budgets to:

- **challenge** how and why a service is being provided, including consideration of alternative providers
- **compare** the performance of the school against other schools
- have means by which they **consult** staff, parents and students
- use **competition** as a means of securing efficient and effective services.

The School Improvement Plan will include:

- a strategic intent summarising the school's long-term objectives
- performance indicators and targets on an annual basis to show progression towards attaining those objectives
- a description on how those targets will be achieved

3. Internal Financial Control

- Authorised signatories are as per the authorised signatory list
- Official orders are raised by the finance assistant as requested, signed by the Finance Officer, dated and processed i.e. emailed to the supplier
- Official orders delivered during the school holidays or at other times when the school Reception is unavailable are signed by the on-duty Caretaker
- When goods arrive, they are checked against delivery notes and official orders by the Finance Officer or by budget holders. Any queries relating to deliveries/orders will be dealt with by the budget holders or Finance Officer.
- All invoices are stamped with a Certification Stamp, which is completed by the Finance Officer. These invoices are recorded on the Arbor (RM) Finance system
- Cheques are prepared by the Finance Officer and passed together with all relevant documents to the authorised signatories
- Documents relating to finance are kept for a period of six years plus current working year
- All accounting records are kept in a locked school office. The chequebooks, credit cards and receipt books are locked in a filing cabinet
- An audit trail is maintained and financial transactions are traceable from the original documentation to accounting records and vice-versa ensuring segregation of duties
- Debts will be written off only in accordance with the LA regulations and the school will keep a record of all sums written off
- Clear procedures are in place and are adhered to in relation to online banking

4. Accounting system

All the financial transactions of the school must be recorded on the Arbor (RM) Finance accounting system. The Arbor (RM) Finance system is operated by the Finance team and includes the following key elements:

- Income
- Purchasing
- Payments
- Payroll
- Bank Accounts

5. Accounting for 'Other' Income using ParentPay

ParentPay is used by the school to collect income for school trips, school meals, events and items purchased through the school shop.

Online payments

Online payments are made using a debit or credit card with the parent /carer receiving an automatic receipt for their purchases (this is emailed through to their personal email address).

The Finance Assistant runs a reconciliation report through ParentPay and reconciles monies received each week.

Cheque and cash payments

Although the school's preferred method of payment is through the ParentPay system, we are able to accept cheque and cash payments if access to ParentPay is not possible. Cheque and cash payments may be accepted by:

- Receptionist
- Administrators
- Office Manager
- Student Services Officer

Upon receipt of a cheque / cash payment, a manual receipt will be issued. The payment will be added to the relevant ParentPay account by one of the above-mentioned members of staff with a note of the reference number being logged on the money transfer sheet.

All cheques and cash received must be stored in the school safe; the Finance Officer will be notified when cheque and cash payments have been made.

The money transfer sheet is passed to the Finance Officer for reconciliation upon collection of the cheques / cash from the school safe.

The Finance Officer is responsible for banking all cheque and cash payments.

Cheque and cash payments are included in the bank reconciliation carried out by the Finance Officer weekly.

Refunds

Refunds are processed by the Office Manager; refunds are made in the same manner as the payment was received, e.g. cash, cheque or online. In the absence of the Office Manager, refunds may be processed by an office administrator.

Refunds must be approved by the Business Manager prior to processing.

6. Insurance

- The school is insured through the DfE's Risk Protection Arrangement (RPA). Schedules of cover are issued annually
- Both the premises and the contents are covered under the policy
- School property such as musical instruments and computers are covered when they are taken off site and used for school purposes (such as concerts or staff preparation, assessment, etc.). This cover does not apply if such items are stolen from vehicles
- School journeys are properly insured before the journey occurs
- All accidents, losses and incidents are immediately reported to the RPA on the appropriate form

7. Computer Systems

The school is registered in accordance with the Data Protection Act and complies with this legislation. We aim to ensure that the school has an effective computer-based system for monitoring and processing financial information efficiently. Such information is properly protected and backed up and that information is restricted to authorised personnel and users.

- The computer systems are encrypted and protected by password security to ensure that only authorised staff have access
- Passwords are updated regularly
- A backup is taken by the ICT technician each time the system is closed down

8. Purchasing, Tendering and Contracting Requirements

The school is governed by Contract Standing Orders for Schools. A copy is available in the Finance Officer's office. When procuring resources (capital or revenue), the school must comply with the local authority's Contract Standing Orders for Schools and the Financial Guide for Schools.

Following value for money principles, the school may opt out of local authority contracts at the end of the contractual length.

- Where a quotation other than the lowest is accepted, the reasons for this decision will be reported to the governing body and included in the minutes of the relevant meeting
- Separation of duties is clearly established by the authorised signatory list and this is adhered to
- Payment is only made when a proper invoice has been received, checked, coded and certified for payment
- Invoices can only be certified by authorised signatories
- The person signing the cheque and certifying the invoice should not have signed the original order or checked the goods
- When orders are placed for services an estimated cost is indicated against appropriate budget allocation so the budget can be clearly monitored.

- All goods and services are checked on receipt against the copy order and goods received note for quantity and quality.

Contracts

The school ensures that suppliers are decided upon in line with guidance from the Local Authority's Corporate Procurement Team, Best Value principles and the Contract Procedure Rules in the Schools Financial Regulations.

When selecting contractors for work:

- Less than £10,000: no special rules but reasonable means of selection should be applied
- £10,000 up to £75,000 – a minimum of two competitive written quotations need to be obtained
- £75,001 up to £173,934 – a minimum of three competitive written quotations need to be obtained
- Over £174,000 – tendering process required as advised by the CPO; five or more competitive quotations need to be obtained with a minimum of two returned

Payments

- All staff are aware that when goods are received, they should be signed for.
- There is a segregation of duties between the raising of orders and the authorising of payments
- The goods are distributed by designated personnel and distributed to the budget holders as soon as possible. The delivery note is checked against the original official order
- Payment is only made when an original invoice has been received, checked, coded and certified for payment. Copy invoices can only be paid after rigorous checks have been made
- Invoices can only be certified by the authorised signatories as per the authorised signatory list
- When invoices have been paid and authorised, they are filed in BACS number order

Purchase cards

Please refer to Appendix A – Credit Card Policy

The use of the Credit Card is governed by the 'Scheme for Financing Schools' (section 3.6) and the Finance Committee and Governing Body have authorised its use.

- A maximum value for individual transactions and monthly expenditure limits will be agreed for each card.
- Any misuse will be reported to the governing body, who will then take necessary action. Only the named cardholder will use a purchase card.
- Orders relating to purchase cards are raised and authorised, transactions recorded on Arbor (RM) finance and receipts/invoices retained for reference and checked against statements each month.
- Duties will be appropriately segregated - transactions must not be reconciled and approved by the same individual. The designated person responsible for reconciling card transactions is the Finance Officer, the authoriser for the Head Teacher's card is the Chair of Governors.
- Loss of any card will be reported to the corporate procurement team.

- Cards no longer in use will be destroyed.

9. Personnel and Payroll

As a community school, the employer of staff, regarding legal and financial responsibilities, is the local authority.

All non-teaching employees must be appointed and paid in accordance with relevant London Borough of Barnet salary arrangements and conditions of service. All teaching employees must be appointed and paid in accordance with the relevant national conditions of service. Payments connected with employment must be made under arrangements approved by the CFO.

All school employees must be appointed and paid in accordance with the policies and procedures agreed or adopted by the governing body.

The school's payroll is administered by Dataplan in accordance with the London Borough of Barnet Scheme for Financing Schools. Salaries, wages, pensions, gratuities and all taxable benefits must be paid through this payroll administration by direct credit to the employees' bank accounts.

The main elements of the payroll system are:

- Staff appointments / leavers / amendment to contracts
- Payroll administration
- Payments
- Pensions administration

The Finance Officer and the Business Manager shall ensure that members of staff are paid at the end of the calendar month, in line with the pay dates published by the London Borough of Barnet.

The payroll services provider will produce payslips which state the following information for employees:

- Salary
- Taxation status
- Pension payments
- Personal details
- Deductions or allowances payable

Monthly the Finance Assistant will complete and upload returns to the payroll services provider's portal:

- Absences, including sickness
- New appointments, contractual amendments and termination 'smart' forms
- Overtime

The work must be uploaded by the date specified on the payroll portal each month to allow time for administration and checks prior to authorisation of payroll.

Payroll monthly checks

Several checks should be carried out each month:

- Both the Finance Officer and the Business Manager will monitor the monthly payroll, to ensure that correct salaries and allowances are paid and statutory deductions are made.
- Both the Head Teacher and the Business Manager will monitor the monthly payroll payments made; monthly checks will include salary costs compared to salary estimates, with variances being noted and signed off by the Head Teacher.
- Both the Finance Officer and the Business Manager will ensure that statutory payments are made directly from Dataplan at the due date to the relevant bodies (e.g. Inland Revenue, pension providers and unions).
- Both the Finance Officer and Business Manager will ensure that the relevant monthly payroll reports are generated by Dataplan and, where required, are forwarded to the relevant bodies.
- Both the Finance Officer and the Business Manager will ensure that any other statutory reports are produced by Dataplan and forwarded to the relevant bodies at the due date.

Payments

- All salary payments are made by BACS by the payroll provider.
- The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions.
- The amounts payable are summarised on several reports uploaded to the payroll services portal:
 - Monthly payslips
 - Analysis of pay for period
 - Department split
 - Gross variance
 - Batch report
- Reports and payslips must be checked by the Business Manager and Finance Officer prior to authorisation being given for payments to be made.
- The Finance Officer should select three employees at random each month and check the calculation of gross to net pay to ensure that the payroll system is operating correctly.
- Any changes to the Business Managers pay, will be checked by the Head Teacher.
- After the payroll has been processed postings will be made to individual cost centres by the Finance Officer. The Business Manager should review the payroll control account each month to ensure the correct amount has been posted from the payroll system and individual cost centres have been correctly updated.

School mealtime duty (SMT)

- Staff may claim payment for mealtime supervision duties carried out during lunch times
- Payments are made through payroll for duties performed in the month prior
- Lunch duty claim forms are signed and checked by the office team before submitting to the finance team
- Two emails are sent to staff to ensure claim forms are submitted by the deadline
- No claim forms submitted past the deadline can be processed.

Payroll: Data Protection

Please refer to the school's Workforce Privacy Notice, available on the school website, for information held in accordance with General Data Protection Regulations (GDPR). The payroll services provider must also comply with these regulations, their Privacy Policy is available via the following link: <https://www.dataplanpayroll.co.uk/privacy-policy>

10. Security of stocks and other property

Inventories

Each Budget Holder is responsible for maintaining an inventory of all moveable assets with a value in excess of £1,000 within his/her area of responsibility, in a form that complies with the guidance given by the CFO.

The Budget Holder is responsible for ensuring that all such assets are security marked, using materials obtainable from the finance office.

Surplus or obsolete inventory or stack items will be disposed of only after the approval of the Governing Body and in a way that provides value for money for the school.

Security of Rooms

To protect school assets from abuse, damage or theft, rooms should always be locked if left unattended. It is the responsibility of staff leaving rooms that are empty to ensure that they are locked and secure.

Keys must not be given to students. Students must not be left unattended in a room.

Security of Premises

The Caretaker should unlock the school at the beginning of the day and reset the alarm systems.

To discourage intruders and members of the public using the school as a shortcut, the automated gates at the front and back entrances of the school are programmed to be closed during the normal school day (8:40am: back gate and car gate, 8:45am: pedestrian gate to 3:05pm: all gates)

It is the responsibility of the Caretaker to ensure that the buildings are left locked and secure and the alarms set at the end of the day. Any buildings not in use outside normal school hours should be locked.

Personal Property

It is the responsibility of each individual to ensure that his or her personal possessions are always safe and secure. The Governing Body advises those coming onto the premises for any purpose not to bring unnecessary items of value with them and will not accept responsibility for the loss or damage of personal possessions brought onto the premises. The Governing Body does not have an insurance policy to cover such items. It is for the individual to arrange for his or her items to be insured if they so wish.

Equipment Taken Off-site

From time to time, it is appropriate for equipment to be taken off-site for use in connection with the school. In such cases, the member of staff proposing to take school equipment offsite will see the Head Teacher for permission to do so. The member of staff taking the equipment off-site must check that it is suitably insured.

Laptop computers issued to staff are the responsibility of those members of staff. The IT Manager will keep a record of all members of staff in the school who have a school-owned laptop computer.

Any equipment taken off the school premises is not covered by insurance if left unattended in transit or left unattended in a vehicle.

11. Income

- The governors have a separate Charging Policy in place. This covers parental contributions for educational visits and other school activities
- All income generated through lettings, fees and charges, fund raising, gift aid and the sale of assets may only be spent for the purposes of the school.
- The school may retain income from letting its premises.
- Any other income received is subject to approved procedures (**Appendix B**).
- The school must abide by the procedures for monthly VAT return to the local authority in accordance with the Financial Guide for Schools.

12. Lettings (Lettings Policy – Appendix C)

From November 2025, the school's lettings are fully managed by Schools Plus Limited.

13. Banking

LBB Friern Barnet School Budget Account

- This account will hold all funds delegated to the school for the current financial year.
- The Bank used will be decided by the Governing Body using the principle of 'Value for Money', subject to the approval of the CFO. Presently this account is held with NatWest Bank, as recommended by the CFO.
- The school's budget share will be paid in 13 instalments over 12 months: 2/13's of the payment is paid in month 1 followed by 1/13 for the following 11 months.

LBB Friern Barnet School Reserve Account (dormant)

This account will be an interest-bearing account and will hold all funds up to the value of the 'carry forward' amount from the previous year's official budget, any sum in relation to profit from lettings approved by the CFO and any sum set aside for a capital project in future years approved by the CFO. Presently this account is held with NatWest Bank, as recommended by the CFO.

Banking Arrangements

- BACS payments and cheques are prepared by the Finance Officer
- The bank accounts are never overdrawn, nor will the bank negotiate overdraft facilities
- Cheques are never pre-signed

- When not in use, cheque books and computerised pre-printed cheques are securely kept in the finance office
- Bank statements are received weekly and reconciled with accounting records by the Finance Officer
- Bank reconciliations are prepared each month by the Finance Officer and countersigned by the authorised signatory. Any discrepancies are investigated immediately and corrective action taken

14. Tax

- The school complies with VAT, Income Tax and CIS Regulations
- Only proper VAT invoices are paid from the School Budget Share Account
- VAT is only reclaimed where a properly constituted VAT invoice is received, in accordance with the Schools Financial Regulations
- VAT is only reclaimed on tax invoices for supplies direct to the school for which the school retains ownership

15. Unofficial Accounts (Amenities)

- The Governing Body delegates responsibility for the school's private funds (Amenities Account) to the Head Teacher.
- The Governing Body must monitor the activities of all unofficial funds to ensure they comply, where appropriate, with HM Customs & Excise, Inland Revenue and Charity Commissioners requirements.
- Auditors must be appointed, and their report must be submitted to the Governors' Finance Committee within six months of the end of the accounting year.
- This account may be described as a fund at the disposal of the Head Teacher for matters complimentary to the purposes of the school but not appropriate to be included in the official funds.
- This account may be used to hold all gifts and donations made to the school, not specific to a particular function of the school.
- The Finance Assistant will arrange for the deposit of all monies received into the bank account. The Head Teacher may decide on the use of funds received, subject to him making a report which is accepted by the Governors' Finance Committee.
- Cheques on this account require one authorised signatures. The Head Teacher, the Business Manager, the Deputy Head Teachers, the Chair of Governors and the Chair of the Finance Committee are the authorised signatories. Mandates will be held by the CFO, who is also an authorised signatory.

Accounting Year

The Accounting Year for the school's Private Funds will be from 1st April until 31st March.

Audit arrangements

- The Governors' Finance Committee monitors the activities of the unofficial accounts to ensure they comply, where appropriate, with HM Customs and Excise, Inland Revenue and Charity Commissioners requirements.
- The Governors will appoint qualified auditors, and the audited accounts will be received by the Governing Body, through the Governors' Finance Committee by 30 September each year.

16. Schools Financial Value Standard (SFVS)

All maintained schools must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. It is for the school to determine at what time of the year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

The completed SFVS form must be submitted to the LA by the specified deadline, 31 March each year.

17. Whistleblowing

The Barnet Whistle Blowing Policy is circulated to all staff annually.

18. Provision of Financial Information and reports

The school is required to provide the local authority with details of the approved budget and actual expenditure and income, VAT and statements of bank and ledger reconciliation monthly, in a form and at times determined by the CFO.

The school is required to supply the local authority with year-end forecasts of income and expenditure, prepared quarterly (Q1: April to June; Q2: July to September; Q3: October to December; Q4: January to March), as prescribed by the CFO.

19. Payment of Invoices

The school must ensure that invoices are paid promptly for settlement discount and to avoid penalty.

20. Audit

The CFO, or his/her authorised representative, may enter the school premises at any time to access all records and documents related to financial transactions of the school. Upon receipt of an audit report from the Chief Internal Auditor, the Governing Body must respond within three months from the date.

The response must:

- indicate whether the report's recommendations have been accepted
- state when and how they have been or will be implemented
- explain why any recommendations are not accepted.

The Governing Body may commission their own auditors, at the school's expense.

21. Register of Business Interests (Appendix D)

The school maintains a register of business interests which lists for each member of the Governing Body, the Head Teacher and any member of staff who is authorised to enter into a contract on behalf of the school, any material business interests they or any member of their immediate family may have. It must also include details of any other educational

establishments that they govern, any relations between school staff and members of the governing body. The register must be kept up to date with notification of changes and through an annual review of entries.

The register must be available for inspection by governors, staff and parents, and the authority and will be published on the school's website.

22. Notice of Concern

The local authority may issue a notice of concern to the Governing Body where, in the opinion of the CFO and the Director of Children's Service, the school has failed to comply with any provisions of The Scheme for Financing Schools, or where actions need to be taken to safeguard the financial position of the local authority or the school.

Such a notice may place restrictions, limitations or prohibitions in relation to the management of the school's delegated funds.

23. Fraud

The school must have a robust system of controls to safeguard against fraudulent or improper use of public money and assets.

The Governing Body and Head Teacher must inform all staff of the Anti-Fraud and Corruption Policy, and this must be included in the induction for new school staff and governors. The policy should be circulated to all staff annually.

24. Borrowing by the school

GBs are only allowed to borrow money (which includes the use of finance leases) solely upon and with the written permission of the Secretary of State. The introduction of IFRS16 for local authorities from 1st April 2024 ended the distinction between operating and finance leases at maintained schools for accounting purposes. Under the Education Act 2002, all leases will be classed as borrowing and will require the Secretary of State for Education's consent.

The Secretary of State has, however, agreed to provide blanket consent to a range of the most common leasing activities, as set out in the IFRS16 Maintained Schools Finance Lease Class Consent 2024. Leases not included in this Order will still require the written consent of the Secretary of State, and it remains the general position that schools will only be granted permission for other types of borrowing in exceptional circumstances. From time to time, however, the Secretary of State may introduce limited schemes to meet broader policy objectives.

- The Secretary of State may at any time, introduce limited schemes of borrowing to meet broader policy objectives. These do not require specific approval.
- Schools can borrow from the LA in limited circumstances for defined purposes without permission from the Secretary of State.
- Schools may use LA credit or charge cards. However, no interest charges should be incurred by the school, with balances fully cleared monthly. The LA may charge schools using credit or charge cards, an administration fee.
- Schools are encouraged to use procurement cards as these cards can be a useful means of facilitating electronic purchasing to ensure best value for money.

- Schools are not allowed the use of a debit card where they have a bank account consolidated to the LAs account. A School with an external bank account must inform the LA of their intention to apply for a debit card and obtain approval of the controls for the use of the debit card facility prior to applying to their bank account provider.

25. Construction Industry Scheme (CIS)

The school must abide by the procedures laid down by the LA regarding the Construction Industry Taxation Scheme (CIS) in accordance with the Financial Guide for Schools.

26. Right of Access to Information

The Governing Body is required to supply all financial and other information required by the local authority to satisfy them of the school's management of its delegated funds.

27. Special Educational Needs / High Needs

The school must use its best endeavours to secure appropriate support for students with special educational needs.

28. Repairs & Maintenance

The school must use its delegated funding for repairs and maintenance. Devolved capital funds must be used for priority works identified in the School Improvement Plan or Asset Management Plan. The cost of major remedial works may be borne by the local authority.

29. Health & Safety

The Governing Body is required to have due regard to duties placed on the LBB in relation to health and safety, and the authority's policy on health and safety matters in the management of the budget share.

Rationale

In ensuring Value for Money the school occasionally finds that the optimum deal for purchasing goods is with a company that does not invoice and only accepts online payments, using a credit card.

Aims

This policy has the overall aim of ensuring appropriate use of the school's credit card, with the specific aims to:

- secure the best deal via the internet
- ensure personal and public funds are not mixed
- provide transparency on online payments
- improve auditing of online payments
- ensure that only certain staff can access the facility for online payments
- clarify the process for using the credit card

Practice

The use of the Credit Card by Friern Barnet School is governed by the 'Scheme for Financing Schools' (section 3.6).

The Governing Body has approved the use of the credit card and these procedures are included in the Financial Management Policy as an appendix. The Head Teacher will ensure that there is budgetary provision for all purchases and that there are sufficient balances available in the bank to cover the expenditure.

The primary method of payment remains invoicing and this shall generally be used in preference to card purchases where such is offered by the supplier.

- the Head Teacher/Chair of Governors may authorise any one or more of the following to be a cardholder: Head Teacher, Deputy Head Teachers, School Business Manager, Finance Officer
- the credit card shall be issued by NatWest Bank, the school's bankers
- each card shall be locked away when not in use
- the PIN number for each card shall be known only by the cardholder and not disclosed to anyone else or written down
- in the event of loss of the pin number the bank will be able to provide the cardholders only with the information
- should the card be lost or stolen the loss shall be reported by the cardholder to the issuing bank, the police, the School Business Manager and the Head Teacher immediately
- should fraud or misuse be suspected, the bank should be informed immediately so that the appropriate action can be taken
- the credit card shall have a spending limit of £5,000 controlled by the bank.
- the credit card balance shall be settled in full automatically each month by direct debit thereby avoiding credit card interest charges
- all receipts shall be authorised by the either the Head Teacher, Chair of Governors or a designated person

- the cards shall not be used for personal expenditure under any circumstances
- cash withdrawals are not permitted. For control purposes a £100 limit shall be set
- all authorised cardholders shall sign to accept that they have personal responsibility for transactions on “their” card which are not conducted with the approval of the school in accordance with this policy. Refer to example Consent Form below
- cardholders shall also authorise the school to recover the cost of any unauthorised transactions and where reimbursement is not received then the school is authorised to make a salary deduction for the unauthorised amount
- cardholders shall be made aware of the action to take in the event of a card being stolen, lost or missing

Separation of duties is fulfilled by the following:

- if staff require goods via the internet they must liaise with the Finance Officer/Business Manager to place the order online providing they have sufficient budgetary provision
- the Finance Officer/Business Manager authorises the purchase order and the use of the card offsite
- cardholder makes purchase.
- the Finance Officer records expenditure on the schools accounting system.
- the Finance Officer/Business Manager reconciles direct debit on bank account statement against credit card statement.

Amazon orders

- Budget holders and their helpers’ orders goods providing there is sufficient budgetary provision, through their own login to Business account.
- Order goes to first approver, Finance Assistant, who allocates a budget code and purchase order number.
- Order goes to second approver, Finance Officer, for final approval.

Other internet orders

- Staff must send a Purchase Order Request form to Finance team/Business Manager.
- Orders are placed by Finance Assistant
- Orders approved by Finance Officer or Business Manager

Credit card purchases

- All purchases made by cardholder
- Purchases made by the Finance Officer approved by Business Manager
- Purchases made by the Business Manager approved by Head Teacher
- Purchases made by the Head Teacher approved by Chair of Governors

Purchases under £300:

- may be off-site.
- if applicable (e.g. on-line orders), a purchase order shall be completed promptly and must be given to the Finance Officer for authorisation.
- the Finance Officer/Business Manager enters the official order onto the Accounting System and will confirm that there is a sufficient cash balance at the bank to cover the expenditure.
- print off the order confirmation immediately which must be coded and authorised and posted as a direct payment onto the accounting system.
- a VAT (if applicable) receipt must be obtained.
- cardholder must present the receipt for goods/service to the Finance Officer
- a copy of the purchase order must be given to the budget holder.

- purchasing records must allow correct coding in accounts.

Purchases over £300:

- must be ordered on the school premises.
- telephone orders are not permitted.
- the official order is to be signed by the authorised official signatory. For purchases over £1,000 a second signatory from the list is to be obtained and must not be the purchasing officer (Head Teacher/ Deputy Head Teachers)
- the Finance Officer enters the official order onto the Accounting System and will confirm that there is a sufficient cash balance at the bank to cover the expenditure.
- all orders must be delivered to the school address.
- a VAT receipt must be obtained, wherever possible
- must have record of receipt of goods/service at school, i.e. delivery note.
- the Finance Officer will de-commit the official order and enter the expenditure onto the accounting system to ensure that the school's cash flow is correctly monitored.

Friern Barnet School Credit Card [“the Card”] Cardholder Consent Form

I consent to be a cardholder on the following credit/debit (delete as appropriate) account held by Friern Barnet School [“the school”]

Credit Card Issuer: NatWest Bank

Card Number: _____

I confirm that I have read the Friern Barnet School Credit Card Policy [“the Policy”] and that I will abide by its terms and conditions. In particular, I acknowledge and agree that:

1. I will use the account only to purchase items/services on behalf of the school and not use the account for any personal expenditure.
2. I will only purchase items/services in accordance with the Policy.
3. I will take care of the card whilst in my possession to avoid its loss or theft.
4. I will not disclose to any other person, or write down, the card PIN number.
5. I will only use the card security number for online purchases where a security number is requested and only on a secure (indicated by padlock symbol) Internet website.
6. I will not use the card to withdraw cash.
7. I understand that upon discovery of loss or theft of the card, I must as soon as possible notify:
 - a. the issuing bank; and
 - b. the Business Manager or Head Teacher; and
 - c. the police (only in the event of theft)
8. I understand that I am personally liable for all charges on the account which relate to transactions which have not been conducted in accordance with the policy.
9. I accept that I must reimburse the school promptly should I cause the account to incur any unauthorised charges [“Unauthorised Charges”] and in the absence of prompt reimbursement, I authorise the school to recover all unauthorised charges by deduction from any amounts otherwise owing to me by the school, including but not limited to salary and expenses
10. I agree that when not required for purchases, I will return the card for safekeeping in the school safe to either the Finance Officer or the Business Manager
11. I agree that if I cease to be employed by the school, I will return the card to the Head Teacher

Agreed by	Authorised by
Name:	Head Teacher:
Date	Date
Signature	Signature

The following procedures must be undertaken in the collection of income; this includes payments made via the school's online payment system, ParentPay:

- a separation of duty from the responsibility for identifying sums owed to the school from the responsibility for collection and banking such sums.
- invoices, if applicable, must be issued promptly.
- official, pre-numbered receipts or other formal documentation of income received.
- transfers of money between staff must be signed for
- receipts, tickets and other records of income must be securely retained.
- cash and cheques must be securely locked away.
- all income must be kept securely and paid into the school's bank account promptly.
- income collections must not be used for the encashment of personal cheques or for other payments.
- sums paid into the bank must be reconciled.
- VAT must be applied where relevant.
- the school must ensure effective debt recovery for any arrears.

Appendix C: Lettings

The school's lettings are fully managed by Schools Plus Limited. Our contract with Schools Plus commenced November 2025 and is for a period of 3 years. Terms and conditions of lettings and bookings enquiries are available: <https://www.schoolsplus.co.uk/friernbarnetschool/>

Additional information relating to the specific hire of Friern Barnet School

General Availability

Premises are bookable as follows:

- Monday-Friday: 6.00 p.m. – 10.00 p.m.
- Saturday-Sunday: 9.00 a.m. – 10.00 p.m.

(Due to planning restrictions, the Sports Hall and Drama Studio are not available on Sundays.)

Licensing and Copyright

- Uses which require a London Borough of Barnet entertainment licence are not generally acceptable.
- Approval for the consumption of alcohol on the premises must be obtained in advance and will normally need a licence.
- Fees due in respect of musical works, plays or other work where copyright exists are the responsibility of the hirer.

Safeguarding

The school is dedicated to always ensuring the safeguarding of its pupils. It is a requirement of hire that hirers abide by the schools' requirements in respect of safeguarding. Any failure from the hirer in this respect will result in the hire being terminated.

It is the responsibility of the hirers to ensure that safeguarding measures are in place while hiring out the space.

If there is a chance that those hiring the premises will come into contact with pupils, for example if the hire occurs during school hours, or when pupils may be present in the school (during after-school clubs or extra-curricular activities), we will ask for confirmation that the hirers and anyone else coming on to the school site have had the appropriate level of DBS check.

The hirer will be required to have appropriate safeguarding policies in place, including safeguarding and child protection, and shall provide copies of these policies on request to the school.

The hirer confirms that, should any safeguarding concerns present themselves during the hire of the school premises, they shall contact the school's Designated Safeguarding Lead, Jim Robinson: j.robinson@friern.barnet.sch.uk as soon as reasonably practicable.

The hirer understands that if our school receives an allegation relating to an incident where an individual or organisation is using our school premises for running an activity for children, we will follow our usual safeguarding procedures and inform our local authority designated officer (LADO).

It is important that governors and staff not only act impartially but are also seen to act impartially. The Governing Body and school staff have a responsibility to avoid any conflict between their business and personal interests and affairs and the interests of the school.

The Nolan Committee report on standards in public life applicable to local public spending bodies including schools identified seven principles, which should be applied in public life. These are – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. One means of demonstrating impartiality and good practice is for all meetings of the Governing Body, the Finance Committee and other committees as relevant is to have a standing item on the agenda “Declaration of pecuniary interest” for every meeting. This would contribute to the school meeting the Schools Financial Value Standard (Question 4) by which a school may demonstrate that it is applying the seven principles. A further example and requirement is the maintenance of a Register of Business Interests.

Guidelines Introduction

It is important that the governors and staff not only act impartially but are also seen to act impartially. The governing body and school staff have a responsibility to avoid any conflict between their business and personal interests and affairs and the interests of the school.

The Nolan Committee Report on standards in public life applicable to local public spending bodies including schools identified seven principles, which should be applied in public life. These are – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. One means by which a school may demonstrate that it is applying these principles is by maintaining a Register of Business Interests.

Scheme Requirement

Section 2.15 of The Scheme for Financing Schools sets out the following requirement:

“The scheme requires the Governing Body of each school to establish a register which lists for each member of the Governing Body and the Head Teacher:

- Any business interests they or any member of their immediate family have
- Details of any other educational establishments that they govern
- Any relationships between school staff and members of the Governing Body.

The register must be kept up to date with notification of changes and through annual review of entries, to make the register available for inspection by governors, staff and parents and the LA, and the publish the register, such as a publicly accessible school website.”

Interpretation of Requirement

Business interests are matters such as directorships, shareholdings and other appointments of influence within a business or other organisation. Governors and staff need only declare such interests that are relevant to maintain public confidence and may take into account the following in considering this:

- a. whether the business/organisation may have dealings with the school,

b. the materiality of the interest – the interest need only be declared if it is significant in terms of the holdings involved and the value of the school's likely business to the company concerned. For example, a £1,000 shareholding in BT is not considered material but a half share in a local small decorating business may be.

The disclosures should include relevant business interests of relatives and other individuals who may exert influence. For this purpose, 'any member of their immediate family' includes spouse, sons and daughters, brothers, sisters (and other persons) where they are living in the same household.

It may also include parents and relationships through marriage such as son in law, daughter in law, sister/ brother-in-law, where there is a potential for conflict of interest. In considering whether the business interests of relatives and others are relevant governors and staff may consider (b) above and the following:

- c. knowledge of the business interest of relatives and other with whom governors/staff have a relationship – members of the governing body and staff are not expected to enquire as to the business interests of relatives and others but would be reasonably expected to have knowledge of significant business interests in the local economy.

Where a governor is in doubt as to whether an interest need be declared he or she should seek a ruling from the Chair of Governors (or if s/he is the Chair, from the Schools Finance Services Manager on behalf of the LA).

Compilation and Maintenance of the Register

Schools should ensure the register is up to date and complete, includes all governors and relevant staff and in this regard signed and dated. Nil returns are required and should be included. There should be an annual review process.

A proforma Register of Business Interests is appended. This should be copied and used in the compilation of the register.

FRIERN BARNET SCHOOLGOVERNORS' REGISTER OF BUSINESS AND OTHER INTERESTS 20xx/20xxFull name of Governor

Name of Business	Nature of Business	Nature of interest Eg: Shareholding/Directorship	Date of appointment or acquisition	Date of Cessation of interest	Date of Entry
Governance role in any other educational institution	Type of institution	Nature of role			

Signed: _____ Date: _____

Please register if your or a partner has any interest in a shareholding/directorship that might stand to benefit from a contract made with the school. Even if you have nothing to declare, please make a ***nil return*** and forward the completed form to the ***Clerk to the Governors*** to be held for any future audit inspection.

FRIERN BARNET SCHOOL STAFF REGISTER OF BUSINESS AND OTHER INTERESTS 20xx/20xx

Full name of Member of Staff:

Name of Business	Nature of Business	Nature of interest Eg: Shareholding/Directorship	Date of appointment or acquisition	Date of Cessation of interest	Date of Entry
Governance role in any other educational institution	Type of institution	Nature of role			
Relationship to member of the School Governing Body	Name of Governor	Detail of relationship			

Signed: _____ Date: _____

Please complete. Please register if your or a partner has any interest in a shareholding/directorship that might stand to benefit from a contract made with the school. Even if you have nothing to declare, please make a ***nil return*** and forward the completed form to the ***Business Manager*** to be held for any future audit inspection.