

## SCHOOL FUND POLICY

### 1. Purpose

The purpose of this policy is to ensure that School Fund income and expenditure is properly and transparently managed; that there are adequate monitoring and auditing procedures and that sound internal and financial controls are maintained.

The school fund exists to provide additional materials and opportunities to enhance the learning experience of pupils. The receipt and allocation of funds is used to provide items over and above those provided for through the school's Government funding streams and other activities not catered for in the main school operational budget.

This policy applies to all schools within The Two Counties Trust.

### 2. Use of Funds

It should be noted that some expenditure may be from funds specifically collected for that purpose (in/out expenditure), for example school visits and school meals. There will also be circumstances where an accumulated surplus can be spent.

Expenditure may be for the following purposes:

- School educational visits
- Fund raising activities
- Classroom materials and equipment
- School meals
- Budget for School Council
- Incidental expenditure as authorised by the Headteacher
- Other items considered appropriate by the Local Governing Body and approved by the Trust Finance Committee

### 3. Management of Funds

Each school will operate its own school fund and will do this through a designated separate bank account.

The records of income and expenditure will be recorded on a computerised system with full audit capability and reconciled to both the bank statements and Trust accounting software on a monthly basis.

In operating the School Fund, the school will comply with the regulations and guidelines as laid down in the latest version of the Academies Financial Handbook, to the extent that such regulations and guidelines apply. The school will also comply with DfE, Charities Commission and Audit Commission regulations and guidelines for the spending and receipt of monies.

The fund is administered by the School Finance/Administration team. The day to day management of the Fund is the responsibility of the Headteacher although overall responsibility lies with the Local Governing Body. The Governors monitor decisions on spending priorities and any concerns should be raised to the Trust Finance Committee. The Trust Finance Committee meets at least three times per year.

Authorisation for expenditure from surplus funds is as follows:

- Up to £5,000 at the discretion of the Headteacher.
- Between £5,001 and £25,000 with the approval of the Chair of Governors
- Over £25,000 with the approval of the Trust Finance Committee

School Fund accounts shall be reported to 31st August each year, forming part of the main financial accounts, but separately and clearly disclosed for Trustees. As the School Funds forms part of the Trust statutory and financial accounts, it is by default audited as required by the DfE, company legislation and charities legislation.

The external auditor appointed by the Trust shall be given access to all the school's School Fund records, including computerised reports, vouchers and this policy.

The School Funds are also subject to audit by the Trust Finance Director and Central Finance Team at any point during the financial year.

#### 4. Calculating Charges & Refunds

Payments for educational activities involving VAT should be made ensuring that VAT is reclaimed, and expenditure minimised.

Most activities shall be budgeted to break even (no gain/no loss). Charges will not include subsidies for pupils whose parents do not pay.

Occasionally once all the expenses have been paid, a trip may have a surplus. If the surplus is greater than £10 per pupil on a day trip or £15 per pupil on a residential trip it will be refunded to parents.

#### Document management

Review cycle:	Annually
Next review due:	July 2021
Policy owner	Natalie Palmer
Approving body:	The Board of Trustees
Equality Analysis completed:	