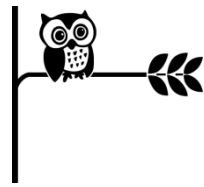


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This document should be read in conjunction with:

- The Manchester Scheme of Delegation
- Manchester City Council's Schools Financial Regulations
- Oswald Road Scheme of Financial Delegation and Terms of Reference

Bank Reconciliation

The School's bank account is held at the Lloyds Bank. Bank statements are provided weekly.

The School Business Manager reconciles each statement as soon as possible, ideally within 5 working days of receipt.

Reconciliation is processed on the School's computerised accounting system (FMS6).

The opening balance is checked and confirmed on the statement. Each item is identified on the bank statement and confirmed with a tick on the bank statement. The closing bank balance is confirmed on the bank statement.

The system bank statement report is printed.

The list of unreconciled items is printed.

To check for correct operation of the system the bank statement balance is taken from the ledger balance total and the difference is checked against the total of unreconciled items. The difference would be zero. On completion, the bank statement and associated reports are presented to the Headteacher for signature.

The bank statements are signed by the Headteacher and the School Business Manager.

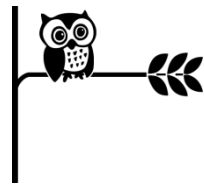
Bank Cards

The School has 1 debit card for the Business Manager and 2 Charge Cards 1 for Business Manager and one for EYFS Assistant Headteacher. These are kept in the School safe.

Computers

System Manager levels are held by the School Business Manager. The following have access to the financial management system: Headteacher, School Business Manager, Finance Assistants.

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The School's email address is: admin@oswaldroad.manchester.sch.uk. All emails to the School are checked by the Administration staff on a daily basis. Emails are forwarded immediately. The Finance Team also have their own separate email address which is finance@oswaldroad.manchester.sch.uk.

A record is maintained of all computers and other equipment issued. The record will include the date of original issue and the model and serial number.

Financial Reporting

The Headteacher meets the School Business Manager on a monthly basis to discuss financial management and monitoring issues.

A cost centre summary is prepared for the Headteacher each month and more frequently if required.

Cost Centre holders/managers: We have no Cost Centre holders/managers.

Governors

Monitoring reports are prepared for the Finance Committee for every meeting.

The following reports are produced:

- Cost Centre Summary
- Cash Flow Report bearing appropriate observations
- CFR Report
- Notes on the financial position at that date
- Budget changes sheet, where necessary.

Copies of all reports are retained for reference in the relevant files.

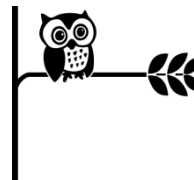
Delivery Notes

All goods are checked as soon as possible against the appropriate purchase order by the relevant personnel. The delivery note is endorsed with a signature and a date to confirm receipt of correct goods. Discrepancies should be reported immediately to the Finance Assistant.

Income

All income is through Parent pay and weekly settlements are reconciled and recorded by the Finance staff.

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All income is coded against the appropriate VAT code. Particular attention is paid to the VAT payable on lettings.

School meals is recorded through parent pay and included in the settlement weekly.

Invoices/Payments

Invoices are reconciled with appropriate delivery notes and purchase order on receipt.

Payment should not be made unless a proper invoice has been received, checked and certified for payment by an authorised person confirming that:

- Goods and/or services have been received and cross referenced to the order number.
- Expenditure has been properly incurred and that payment has not already been made.
- Prices match quotations, tenders, contracts or catalogue prices and arithmetic is correct.
- VAT has been correctly calculated.
- Discounts, where available, have been allowed for.

Payment should not be authorised against a supplier statement.

Payments should not normally be authorised against a photocopied invoice. If an invoice has been lost a replacement should be obtained. If a copy invoice is used it should be marked 'not previously paid', signed and dated.

Each invoice is authorised manually by the relevant personnel (person requesting goods/service) before details are entered on the system by the Finance Assistant.

Authorised and entered invoices are kept in the file 'Invoices Ready for Payment'.

Location of Key Financial Documents

SFVS files – In locked cupboard in Business Manager's office.

The Manchester Scheme for Financing Schools – In Business Manager's office.

The School's Financial Regulations – In Business Manager's office.

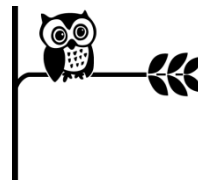
Budget File/Working Papers – In locked cupboard in Business Manager's office.

Archived Finance Documents – Currently in locked outside store.

Monthly Procedures Checklist

The following procedures are carried out within 10 working days of the end of each month:

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- VAT returns by the School Business Manager
- Bank Reconciliation (assuming bank statements have been received) by the School Business Manager
- Payroll Check by School Business Manager and Headteacher
- Reports for Headteacher
- Reports to Governing Body as required

Orders

An official purchase order should be used for all goods and services except those charges which are the subject of direct debits and petty cash payments. Verbal orders can only be given in case of extreme urgency and must be confirmed by an official order as soon as possible and BEFORE THE ARRIVAL OF THE GOODS ON THE PREMISES.

Orders should be used only for goods and services provided to the school. Individuals must not use official orders to obtain goods and services for their own private use.

Copy orders are retained for a period of 7 years including the current financial year.

The signatory of the order should be satisfied that the goods or services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary.

All orders must be initiated by means of the School's Internal Requisition form and must be completed in full, indicating clearly the Cost Centre to be charged and signed by the person submitting the order.

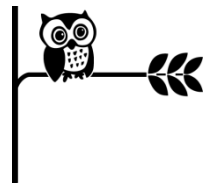
Blank requisitions are available in the school office.

Completed sheets are handed to the Headteacher for approval and then to the Finance Assistant for processing on FMS6 within 5 working days. Once entered, each order is printed.

The Headteacher/SBM authorises by signature each order and dates it, and then returns it to the Finance Assistant. The order is sent to the supplier by email and then filed with the IRS in the 'Orders on System' file, awaiting delivery note and invoice. Items are filed in alphabetical order by supplier.

Payment Processing (Cheques)

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Kalamazoo pre-printed cheque stationery is kept in the school safe under secure conditions.

Cheque processing is carried out at least once per fortnight. All invoices are paid so that payment is with the supplier within 30 days or earlier if required by supplier.

Cheques are prepared by the Finance Assistant by adding a cheque run on FMS6. A Cheque Run Report is produced for authorisation by the School Business Manager.

Completed cheque sheets together with associated invoices are then presented for signature to each of the cheque signatories. (Note: Cheques over £20,000 must be signed by THREE signatories, one of whom must be the Headteacher, SFR 2006 Page 106 Section 8.25)

Signatories are requested to check the validity of the payments and the values by signing the cheque and the cheque stub section of the stationery.

Completed paperwork is then passed back to the Finance Assistant. Cheques with attached payment advice and any supplier slips are then placed in envelopes by the Finance Assistant and posted within 2 working days of preparation.

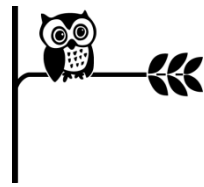
All remaining documentation is then filed together with original requisition slip, copy order, delivery notes etc in the supplier's record in date order.

All processed invoices should be marked as paid, retained and stored securely for 7 years (including current financial year) together with all other related documents.

Payment Processing Lloyds Bank Corporate on line

The school is now using the Lloyds online BACs payment system from September 2016. Invoices are processed in the same way but are then converted into a BACS document for payment on FMS6. This process is carried out by the Finance Officer (the SBM can also do this if necessary). Once the invoice has been processed, a remittance advice will be printed and attached to the invoice. A copy of this will also be emailed to the supplier. Batches of processed invoices are then uploaded to the Lloyds Corporate on line website to await authorisation by 2 signatories on the account. A BACS run report will be produced and the SBM will check all the payments and bank details before passing to the signatories to authorise. Currently the acting head teacher, assistant head and business manager can authorise the payments. The SBM will not authorise the payments if they have processed the invoices for payment.

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Before authorising payment, the signatories will check the BACs run report and take a random sample to check the bank details.

Each member of staff has a card which is used to sign into their account. These cards will be kept in the school safe.

Payment Processing (Direct Debits)

Invoices and/or related payment advice slips are authorised as normal on receipt.

Journals are processed in on FMS6 when the payment comes due at the bank (any applicable VAT will then be recorded against the correct VAT period).

Journal entries, which are attached to the relevant documentation, are then authorised in the same manner as cheques, i.e. by 2 signatories.

Payment Processing (Pro-Forma)

Payment on pro-forma is undesirable but sometimes necessary.

An order should have been placed in advance as soon as the commitment was known, this should be for the total value.

Pro-forma is authorised for payment as if a normal invoice. Pro-forma details are entered as the invoice either as full or partial payment.

VAT allowed for if appropriate.

Payment is processed in the normal manner.

Payroll

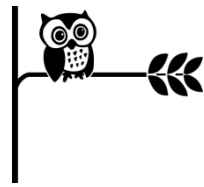
The School Business Manager enters the payroll totals as a cashbook journal on FMS6. This is completed promptly each month to coincide with the end of the period bank reconciliation.

Actual payments of salary are undertaken by the MCC Payroll Section.

The contact numbers for all Payroll (but not Personnel) issues are:

- 0161 277 3999 – Support Staff

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➤ 0161 277 3999 – Teaching Staff

Individual payslips are dispatched to employees' home address by the MCC Payroll System and not the school.

A payroll analysis is undertaken each month to reconcile actual salary against estimated costs. The analysis is undertaken by the School Business Manager. Each payment is checked and annotated accordingly and any discrepancies investigated in full. The full reconciliation is then signed by the Headteacher to confirm the process. (Particular attention must be paid to the salary element of third party confirmation).

Petty Cash

We do not use Petty Cash

Staff Absences

Supply teacher/TA cover is arranged by the Cover Supervisor and/or the Headteacher/Deputy Headteacher.

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Amendments to Contracts/New Contracts

The Office Manager and/or the School Business Manager is responsible for updating internal contractual records. The School Business Manager will notify the MCC Payroll Department of any changes in contracts.

Overtime

The Headteacher/Deputy Headteacher authorises all overtime/additional hours claims.

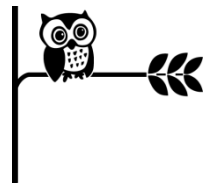
All payments are submitted to MCC Payroll by the School Business Manager by the due date each month (ie Sunday preceding 23rd).

All additional payments are to be reconciled against actual payments.

Useful Contact Numbers

Personnel Link Officer: Karen McCabe, One Education – 0844 967 1113
IT Support Provider: Basic Key - +44(0)161-374-0368 basickey.com
Lloyds Bank: 0845 0725555

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VAT

The monthly VAT claim is prepared after the end of the calendar month by the School Business Manager.

The claim must be completed within 10 days of the month end.

On completion of the claim, the submission is signed by the SBM before despatch to Children's Services Finance, ideally by email.

A copy of the claim form is then placed in the 'Vat Reports' file.

The appropriate journal is processed by the School Business Manager ensuring that reimbursement and VAT payments are coded correctly and a copy of the journal placed with the copy of the original VAT claim, which is then placed in the VAT Reports' file.

Each quarter (budget monitoring) reconciliation is undertaken between the total value of VAT (Input and Output) outstanding on FMS6, as indicated by the system Balance and Reserves Report and the total VAT outstanding as represented by the actual total of the outstanding as yet unreimbursed VAT claims and the VAT outstanding for the current part-month. This will ensure that the VAT Debtor control codes are correct.