



## Chertsey and Dorking Nursery Schools

### FINANCE POLICY

#### 1. Introduction

The purpose of this policy is to ensure that Chertsey and Dorking Nursery Schools (the 'organisation') maintain good systems of financial control and management.

The organisation must comply with the requirements of Surrey's Scheme for Financing Schools as well as the more detailed procedures contained in the local authority's finance manual, available on the Education Services Portal. This policy puts these requirements within the context of the organisation and provides detail of the systems of financial control.

This policy applies to the unofficial funds, hardship fund and locally generated income, as well as public monies delegated by the local authority to the organisation.

Throughout this policy, the term 'Head' will be used to refer to the Lead member of staff on each site. At Chertsey Nursery School this is the Head of School and at Dorking Nursery School this is the Executive Headteacher. The term 'Business Lead' will be used to refer to the Lead member of staff for the organisations business administration and finances. At Chertsey Nursery School this is the Assistant Bursar, at Dorking Nursery School, this is the Business Manager.

#### 2. Roles and responsibilities

##### Governing Body:

The overall purpose of the Governing Body is to lead the organisation to provide the best possible education for the children.

Within this context the Governing Body has a strategic role in the financial management of the organisation, ensuring that money is well spent. Its key financial responsibilities include:

- To consider the extent to which it wishes to delegate its financial powers to the Resources Committee and Heads, whilst complying with the requirements of the Surrey Scheme for Financing Schools. Any delegation of powers, or revisions to this, must be recorded in the minutes of the Governing Body
- To ensure that all staff know about policies and procedures relating to fraud and theft, the controls in place to prevent them, and the consequence of breaching these controls; this must be included within the induction of staff and governors
- To approve the school's three-year budget forecast to allow submission to the local authority by the statutory deadline of 1st May
- To keep, maintain and publish a register for each member of the Governing Body, Executive Headteacher and any staff member with influence over purchasing decisions which includes: (Appendix 3):
  - any business interests they or any member of their immediate family have
  - details of any other educational establishments which they govern
  - any relationships between staff and members of the Governing Body.
- To demonstrate compliance with the schools' financial value standard (SFVS) each year
- To receive and respond to audit reports, including the independent review of the school's unofficial funds and annual statement of accounts
- To ensure that an up-to-date inventory is maintained for the moveable non-capital assets (See section U of the finance manual which is found on the Surrey Services for Schools website)
- To approve a lettings policy; where the organisation has discretion to set their own charges, these should be reviewed on an annual basis to ensure that overall there is no net cost to the budget

- To approve a charging and remissions policy giving details of the optional extras or board and lodging that will be charged for, and any circumstances in which the organisation proposes to remit (wholly or partly) any charge which would otherwise be payable
- To approve a pay policy setting out how pay decisions are taken
- To monitor the Unofficial School Fund as detailed in Appendix 1.
- To delegate a Hardship fund to each school annually (Appendix 2)

#### Resources Committee:

The Resources Committee acts on behalf of the Governing Body and reports back to them on decisions taken. Their main responsibilities include:

- To act upon any powers delegated to them by the Governing Body outlined in the terms of reference.
- To evaluate and approve the draft three-year budget forecast
- To recommend the final three-year budget forecast, which shows clear links to the Development Plan, for approval by the Governing Body
- To report monitoring and forecast of outturn position to the Governing Body, highlighting material variances and making recommendations
- To review the lettings policy for approval by the Governing Body
- To review the charging and remissions policy for approval by the Governing Body
- To review the pay policy for approval by the Governing Body
- To advise the Governing Body of any consultations relating to finance, most notably Surrey's Funding Consultation produced each Autumn and changes to the local authority's scheme for financing schools
- To evaluate and report on tenders for contracts to the Governing Body
- To benchmark the school's financial performance
- Consider the impact of numbers on roll on the budget over short, medium and long terms

#### Heads:

The Head on each site is responsible for the operational management of the site they are responsible for and for implementing the Governing Body's decisions. In practice the general administration of financial procedures may be delegated to other members of staff. Main financial responsibilities include:

- To act upon any powers delegated by the Governing Body
- To consider the extent they wish to delegate responsibilities to other members of staff.
  - Delegation of the 3 year budget plan to Business Leads
  - Delegation of the management of the approved budget (subject to any transfer limits) effectively and efficiently
  - The Delegation of the presentation of regular financial monitoring reports to the Governing body by the Business Leads.
- To produce a Development Plan underpinned by sound financial planning. This should bring together, in a clear and simple way, the priorities, the main measures it will take to raise standards, the resources dedicated to these, and the key outcomes and targets it intends to achieve
- To manage the Hardship fund which has been delegated by the Governing Body.

#### Business Leaders:

The Business Leads oversee the efficient day-to-day running of the finances of the organisation and support the Governing Body, Head and leadership team. Main financial responsibilities include:

- To act upon any powers delegated by the Head such as delegation of the 3 year budget plan.
  - Delegation of the management of the approved budget (subject to any transfer limits) effectively and efficiently, optimising the use of resources.
  - The delegation of the presentation of regular financial monitoring reports to the Governing body.
- To advise the Head and governors on financial matters
- To be responsible for the internal procedures and processes necessary for the smooth and efficient operation
- To prepare statutory returns and information requested by the local authority, including month end financial reports

### **3. Internal financial controls**

The internal financial controls operated by the organisation follow the regulations set out in Surrey's Scheme for Financing Schools and the detailed procedures specified in the finance manual.

The Governing Body will ensure that appropriate cover is available in the absence of key personnel to ensure that financial control is maintained.

#### Separation of Duties

As far as possible the duties of staff relating to financial administration are distributed so that at least two people are involved. The work of one person acts as a check on the work of the other. All checks are fully documented. See detail of Separation of Duties in Appendix 4.

In small organisations, the number of administration staff can make clear separation of duties difficult to achieve in these cases the Heads will need to carry out some internal checks.

### **4. Budget planning and monitoring:**

The organisation ensures that the Development Plan forms the driving force behind the budget plan, with the emphasis on value for money. Where there are competing bids for funds, these are ranked in order of priority and incorporated into the budget plan as funds allow.

The Head is responsible for preparing the draft and final budgets, which is delegated to the Business Leads and linked to the Development Plan. Initially, these will be considered by the Resources Committee. The final budget is approved by the full Governing Body and is submitted to the local authority by the statutory deadline of 1st May.

In its medium-term projections, the organisation uses realistic assumptions about future funding, pupil numbers and pressures, using guidance provided by the local authority, as well as local knowledge.

The Governing Body regularly benchmarks current and past performance to identify where the pattern of spend and income is misaligned with other organisations, and thresholds set by the government.

The organisation has no legal powers to set a deficit budget. If the organisation is unlikely to achieve a balanced budget position, the Schools Finance and Monitoring Team at Surrey County Council should be informed immediately ([sfmt@surreycc.gov.uk](mailto:sfmt@surreycc.gov.uk)).

#### **Transfer (i.e., movement of funds between budget headings)**

Transfer to the approved budget are minuted and require the following authorisations:

- The Head has the delegated authority from the Governing Body to authorise the transfer of funds between cost centres up to the value of £5,000 for a single transaction without governor approval within the framework of the budget.
- The Resources Committee has authority to transfer funds more than £5,000 but less than £10,000
- The Full Governing Body must agree any transfer above these limits.

All budget transfer are recorded on the FMR by the Business Lead and authorised by the Head in advance of being actioned on FMS. They are reported to the appropriate body of Governors at the next available opportunity.

Regular monitoring of income and expenditure against the agreed budget is central to effective financial management. The governing body receives financial monitoring reports (FMRs) at least six times a year, including an expected year-end financial position; the FMR includes reconciliation checks to the underlying financial records, as well as a narrative to explain the most significant variances to plan.

### **5. Purchasing/Payment of accounts**

The Governing Body shall maintain a policy of Best Value for all purchases. The organisation will endeavour to make purchases above £50 through the ordering system as approved by the Senior Leadership Team, however there may be certain urgent circumstances where it cannot be applied, this is at the discretion of the Head. The Business Lead shall keep records of all purchases made including

quotations received but not accepted, together with the reasons. The performance of contractors and the outcomes of purchases are continually reviewed and the policy of Best Value will be applied using the four principles:

- ~ Challenging how a service or supply is provided and why it is required
- ~ Comparing performance with other schools
- ~ Consulting with relevant stakeholders
- ~ Competing as a means of securing efficient and effective services and supplies.

The school applies the principles of Best Value when making purchases and awarding contracts. The Governing Body aims to achieve best value for money from all its purchases.

The Headteacher is responsible for ensuring procedures are in place for testing the market, placing of orders, and paying for goods and services; these comply with the requirements detailed in the local authority's finance manual.

The organisation maintains a Register of Business Interests that is completed by Governors and the Executive Headteacher. This is used to disclose any business interest they or their immediate family have. This is referred to before reviewing and awarding contracts and, if this confirms a business interest, the person involved can take no part in the decision making process, this is confirmed in governors minutes. The register is updated annually.

In general, when the organisation makes a payment, the lowest tender is accepted. If an alternative is chosen, it requires prior approval from the Governing Body and the reasons for accepting it must be recorded in the minutes.

Quotations as well as copies of contracts, are kept in a Supplier Log to ensure compliance and for audit purposes.

### **Expenditure limits**

The de-minimis level, above which a purchase is treated as capital is £2,000.

The inclusion of items within the approved budget plan gives authority to spend. However, the organisation has certain expenditure limits for **single** transactions:

- The Head has the delegated authority from the Governing Body to authorise expenditure up to the value of £5,000 for a single transaction, without governor approval within the framework of the budget
- The Resources Committee can authorise expenditure between £5,000 but less than £40,000 for a single transaction where provision has been made in the budget.
- The Full Governing Body must agree any expenditure above these limits or where no provision in the budget has been made

The organisation regularly reviews the limits set to ensure they are still appropriate and record this in the governors' minutes.

Where larger value purchases are made the organisation complies with the financial limits set in Surrey's Procurement Standing Orders. These detail the number of quotations required at certain thresholds as well as conditions for tender.

### **Use of purchasing cards**

For instances where the purchase order system would prove unrealistic, the organisation uses its purchasing card(s), obtained through Surrey's Banking Team. As this represents a greater financial risk, governors have adopted the following controls:

- Only the named cardholder is authorised to use the purchasing card
- Written instructions are provided on its use
- The spending limit for the account is £1000 per month (Chertsey) (one card with a limit of £1000/£1,500 (Dorking) (three cards with a limit of £500 each)
- The Business Lead controls the use of the card; this includes a record of cardholder name, spending limit as well as a signing out procedure

- A log should be used to record the details of each transaction to include date, payee and amount of transaction and authorisation for each transaction.
- The person/s administering the card and reconciling payments each month cannot be a card holder
- Documentary proof (including a VAT receipt) for any goods purchased with the card is provided to the person recording card transactions as soon as is reasonably practical.
- The Head reviews the use of the purchasing card at least annually
- The card is kept in a locked location when not in
- The card is returned to Surrey's Banking Team and cancelled if the cardholder leaves employment.

## **6. Income generation and charging for activities**

The organisation adopts the principles that any income should be:

- Identified and collected whether in cash/cheque or via the online payment system
- Cash shall be receipted, banked promptly and intact;
- Easy to track via a clear audit trail

The Head is responsible for ensuring procedures are in place for collecting income and that these comply with the requirements detailed in the local authority's finance manual; these ensure separation of duties to reduce the risk of error, fraud, and protect staff. The school's online payment system, Teachers 2 Parents (School Money), allows parents to make payments directly into the correct bank account.

The Governing Body has a Charging and Remissions policy setting out the defined activities it chooses to charge for, whilst minimising the financial barriers which may prevent some pupils from taking full advantage of opportunities. The government identifies those activities for which no charge can be made. The organisation makes this policy available to parents upon request.

The Governing Body has a Lettings' Policy which provides guidelines for the use of the premises for the benefit of the organisation and community. It makes all reasonable efforts to ensure that facilities are available for community use, without compromising the children's education.

The Head ensures that all income due to the organisation meets the requirements of these policies.

In terms of all income generation, including fundraising activities and sales of assets too, the organisation meets any VAT requirements.

Any money owed to the organisation has an impact on the budget. The Governing Body is responsible for ensuring that procedures are in place for the recovery of any outstanding debt. There is a debt management process place to avoid any significant debts. Debts up to the value of £150 may be written off by the Head and reported back to the Governing Body at the next meeting. The organisation must agree any debt write off over £150 with the local authority as part of their external check on the losses of public funds.

## **7. Banking arrangements**

The banking arrangements comply with the requirements of Surrey's Scheme for Financing Schools, as well as the detailed operational guidance contained with Section G of the finance manual.

Bank account signatories are limited to members of staff. Each organisation has three bank signatories, senior staff members, which it considers sufficient to meets its obligations for payments, whilst minimising financial risk. For control reasons none of the administration team are signatories or can authorise BACS payments. When a signatory leaves the organisation, the mandate is updated immediately.

Payment requirements are for one signatory on cheques/BACS authorisations up to £250, and two signatories above this amount.

The bank account always remains in credit.

## **8. Asset management**

The Governing Body is responsible for maintaining the assets and property of the organisation and ensuring that financial controls are in place to reduce theft, misuse, and loss.

Items of value are locked away when not in use, and the organisation has a list of keyholders.

The organisation maintains an inventory of moveable non-capital assets with an individual or collective value of £1,000 to comply with the Surrey Scheme for Financing Schools.

Items are checked against the inventory on an annual basis by the Head, with any changes of location noted, and the record is certified as retained as a permanent record.

Any loss of property is reported to the Governing Body and, if financial irregularity is suspected, the audit department, part of Orbis, are contacted.

All staff are made aware of the property they are responsible for, and the organisation has a means of recording items loaned to staff and taken off premises.

When goods are disposed of, the procedures comply with the local authority's procurement standing orders.

## **9. Insurance**

The organisation is insured through Surrey County Council's Scheme.

The organisation notifies their insurer of any changes in risk which may result in refusal to pay out a claim and, if an incident is likely to give rise to a claim, contacts them promptly.

The organisation recognises that cover does not apply for assets locked in the buildings, if keys or combination codes are left onsite outside hours.

## **10. Unofficial/voluntary funds**

The unofficial fund (School Fund) is for those monies that are not part of the official ones of the local authority. They are still for the benefit of the children and, as such, have the same extent of financial control as the public ones.

The Governing Body act as trustees of the fund, whilst day to day responsibility rests with the Head.

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The Governing Body act as trustees of the fund, whilst day to day responsibility rests with the Headteacher.

The school has a governing document for the fund which includes:

- Types of activities dealt with by the fund
- How funds are raised
- Who benefits
- Who is responsible
- Banking arrangements and signatories
- Level of reserves to be retained
- Audit arrangements
- Level of delegated authority for spending

The governing document (the Finance policy) is reviewed to ensure its contents remain current.

The standards applied to the administration and control of the school fund are the same as those for the delegated budget.

The school fund accounts are examined annually by someone independent from the school's management, within three months of the account year-end. That person should be a suitably qualified accountant, unless the balance of funds held is under £5,000 and the movement of income or expenditure during the year is no

more than £5,000, then an individual familiar with the principals of accountancy rather than a qualified accountant could audit the accounts.

The Governing Body receives the school fund Statement of Accounts, Audit Checklist and Audit Certificate each year at the full Governing Body Meeting when any discussion is formally minuted.

Please see Appendix 1.

## **11. Personnel/payroll**

The salaries for all members of staff are calculated for budget planning purposes, and to enable an accurate forecast of outturn.

The Pay Committee undertakes an annual review of the Executive Headteacher's salary, making use of independent professional advice, and makes recommendations to the Governing Body for approval.

The Executive Headteacher carries out an annual review of staff, consistent with the pay policy, and reports to the Pay Committee. (Details of salaries are recorded as a confidential item in the Pay Committee Minutes).

The payroll provider is Surrey County Council; they provide payroll services to the local authority's specification. To ensure financial control, the Head authorises all overtime as well as the monthly payroll submission.

The organisation uses the government's tool, Check Employment Status for Tax (CESTI, to find out if workers should be classed as employed or self-employed for tax purposes.

Part of due diligence the Business Lead, will ensure that a IR35 check is carried out prior to contract approval / works commencing. Copy of the IR35 will be kept together with the copy of the liability insurance and contract details. Information will be recorded securely in Staff Safe.

## **12. Data security**

The organisation complies with the requirements of the General Protection Data Regulations (GDPR), designed to protect individuals and the personal data that is held about them. All information relating to personnel is processed in line with the following principles:

- obtained and processed in a lawful, fair, and transparent manner
- held only for specified lawful purposes
- adequate, relevant but not excessive for those purposes
- accurate and up to date
- retained for no longer than is required
- kept securely

The Governing Body is responsible for the proper use of software and has procedures in place to ensure only licensed software is used, this is delegated to the Head. Arrangements are in place for regularly updating passwords together with procedures allowing secure access to them, should a member of staff be unavailable.

The Governing Body has approved arrangements to ensure safekeeping of electronic information off premises, using a remote backup facility.

## **13. Financial irregularities**

Under Surrey's Whistleblowing arrangements an independent confidential hotline telephone number has been set up with NAVEX GLOBAL (previously Expolink) (confidential whistleblowing line) 0800 069 8180; alternatively, people can email [surreycc@navexglobal.co.uk](mailto:surreycc@navexglobal.co.uk). All staff are made aware of this arrangement as part of their induction. These details are also included within the staff handbook. In addition we have a Whistleblowing Policy and posters in staff areas.

#### 14. Audit

The organisation demonstrates compliance with the Schools Financial Value Standard (SFVS) each year. A working party of governors evaluates the financial controls against the standard to ensure that it meets basic requirements for good financial health and resource management. The standard and any remedial actions identified (including timescales) are taken to the Governing Body for approval.

The Orbis Schools Audit Programme examines whether financial and other key risks within the organisation are robustly managed and that there are appropriate mitigating controls in place. The Head is responsible for actioning any recommendations identified and, if this task is delegated, still monitors and records implementation.

The audit report is shared at the next full Governing Body meeting following its receipt. The Governing Body is responsible for reviewing progress on any actions identified.

**Approved by the Governing Body:** January 2025

**To be reviewed by:** January 2026

Relevant for:-

<b>Nursery:</b> Yes	<b>Parents:</b> No
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**Based on Surrey County Council Model Finance Policy – 13/11/2024**



## **APPENDIX 1- Unofficial School Fund**

The aims of the Unofficial School Fund are to advance and enhance the education of the children at of Chertsey and Dorking Nursery Schools by providing and assisting in the provision of facilities not required to be provided by Surrey Local Authority by statute.

### **Officers**

The fund is managed by the Heads at each school and supported by the Business Leads. The members of the Governing Body act as Trustees of the Fund. The Auditor is appointed on an annual basis.

### **Activities**

The main activities of the Unofficial School Fund are

1. To raise funds and receive donations or grants from parents and the local community to develop the school grounds, enhance the play facilities and to make available discretionary help to children in financial need
2. To receive grants from the local community to help provide services
3. To receive funds raised by FOND (Friends of Dorking Nursery)

### **Financial Regulations**

The overall responsibility and stewardship of Unofficial School Funds sits with the Governing Body. The school should ensure that key governors, such as the Finance Committee, fully understand their responsibilities in this regard enabling them to discharge their duties.

It is expected that directions regarding the operation of the Unofficial School Fund and the audit of its accounts should be detailed in the School's Finance Policy or the Unofficial School Funds Policy if that is separate from the Finance Policy; and written into the Terms of Reference for the Governing Body. The Governors act as trustees of the Unofficial School Fund.

Auditors recommend that Governors have a regular monitoring report for Unofficial School Funds as they would with delegated funds. This is often presented annually but can be requested at any time.

### **Financial Procedures**

#### **Banking:**

The funds are held in nominated bank account in the names of Chertsey Nursery School Fund and Dorking Nursery School Fund respectively.

Cheques are signed by the Head, plus another, if the value is over £250.00. The mandate is reviewed on an annual basis.

Transactions: all transactions are recorded on the school fund excel spreadsheet in Office 365 which is backed up.

The Finance Assistant reconciles the Cash Book summary to the Bank Account monthly; the reconciliation is checked and signed by the Business Leads and Heads.

#### **Income:**

All cash income must be supported by receipts or records of collection. A remittance slip must be signed by the member of staff or parent bringing the income to the Business Leads.

Income is banked regularly and intact.

#### **Expenditure:**

Payments will only be made from the Unofficial School Fund when supported by an authorised invoice or voucher.

Subsidiary reports for each trip visit or project will be maintained and kept on file.

Purchases of equipment, resources or activities will be made through the Delegated Fund in order that VAT is avoided when appropriate. The school fund will remit the net amount to the school delegated fund on receipt of the invoice.

The Head has the delegated authority to authorise the purchase of gifts up to the value of £50 from income generated by the school for staff/governor/volunteer well-being.

In accordance with the stated activities of the Unofficial School Fund, the Head has delegated discretionary authority to assist pupils financially up to £30 individually, to a total of £300 per year in supermarket vouchers, goods, or value of an activity.

The Unofficial School Fund will be registered for VAT if the income rises above the registration threshold according to current HMRC legislation.

No loans will be made between the School Delegated Funds and the Unofficial School Fund

### **Annual Statements of Accounts and Audit**

Under the Scheme of Finance for Surrey Maintained schools (s2.8), the Local Authority requires the school to be able to provide Audit Certificates in respect of the (Voluntary and Private Funds) Unofficial School Funds held by the school. The word "audit" here is used in a general sense and does not imply the need for an audit by a registered auditor but rather an examination by a person who is independent of the management of the school.

Therefore, a suitable individual familiar with the principles of accountancy rather than a fully qualified accountant will be appointed where Governors are satisfied that the balance of funds held by the school remain under £5,000 per annum, that the movement of income or expenditure during the year is no more than £5,000 and the number of transactions does not exceed 30.

An independent audit of the Unofficial School Fund will be completed annually and within 3 months of the account year-end (as per SFVS requirements). The normal accounting period will be for the year ending 31st August each year.

The annual Statement of Accounts together with the completed audit checklist and audit certificate will be submitted in full to the Governing Body within 3 months of the end of the Unofficial School Fund accounting year and as requested by the Local Authority thereafter.

Accounts for non-charitable funds can be prepared on either a cash basis or on an accrual basis. Schools should follow the LA accounting principles and accruals policy (See Section S Finance Manual) which states that accruals should be posted for amounts over £1,000; any accruals should be clearly represented on the Statement of Accounts.

### **Dissolution of the School Fund**

The Unofficial School Fund will be dissolved if a) the school closes, or b) the school amalgamates with another school.

Any assets remaining after satisfying the outstanding debts and liabilities will be given to the school for the benefit of the children at the school in a charitable manner. Once the school has closed, any assets remaining will be given to a local children's charity to be chosen by the Trustees.

New Section X in finance manual

## **APPENDIX 2 – Hardship Fund**

Each year, the Governing Body will allocate a budget to a Hardship Fund, to support families who face sudden crisis. For the current financial year, the fund is £1,000 in each school.

The fund is to be used to support families where there is an immediate barrier/issue that could impact on the child/children

The Hardship Fund can be allocated to a family where there is a sudden crisis or disclosure, in most cases, those families will meet at least two or more of the criteria below:-

- Entitled to Free School Meals
- Eligible for Early Years Pupil Premium
- In receipt of Funded Entitlement for Eligible Two Year Olds (FEET)
- Subject to a Child Protection or Child in Need Plan
- Sudden house move due to unforeseen circumstances by Social Care or the Local Authority
- Benefit changes/delays or refused short term benefit advance
- Homelessness or risk of homelessness
- Disability
- Isolated or vulnerable
- No recourse to public funds
- Domestic abuse
- Migrant/refugee/asylum seeker

Examples of where support could be provided:-

- Transport fees to urgent medical or other appointments (ie paediatrician, dental) where the parent would not otherwise attend
- Fuel vouchers for electricity via Wonde
- Supermarket vouchers via Wonde
- Long life emergency foods
- Resources that help to safeguard a child from harm

If the Hardship Fund is allocated to a family, consideration will also be given to signpost and refer families to other services, depending on need, for example:-

- Home Start
- Stripey Stalks
- C-SPA Request for Support for Family Centres, Family Support Programme, Intensive Support etc
- Housing
- Citizens Advice Bureau
- Food Banks

Allocation of the Hardship Fund must be authorised by two members of the Senior Leadership Team or Designated Safeguarding Lead, one of whom is the Head.

Any family allocated support through the Hardship Fund will be logged on CPOMS. This must contain details of the rationale above for allocating the fund and how this will benefit the child/family.

No family will be allocated support through the Hardship Fund more than once in a term. If there is a need for this, then requests for support from other agencies must be sought.

No payment at any time will exceed £30 No payments are made directly in cash.

### **APPENDIX 3 – Schools Financial Value Standard (SFVS)**

All governors complete the register of business interests. All business interests are declared that could result in a conflict of interest:

- financial – interests in a contract or proposed contract by direct or family connection
- appointment – interests in the provision for sponsor governors or interests in someone's appointment, reappointment, or suspension from office as a governor or clerk to the governing body
- pay and performance – interests in the pay or appraisal of someone working at the organisation in cases where the governor or staff member is also paid to work at the organisation

Governors and staff have a responsibility to avoid any conflict between their business and personal interests and the interests of the organisation. This is essential for effective and accountable financial management.

'Declarations of interest' are a standing item at the beginning of the agenda for every governing body meeting to help identify potential conflicts of interest and if any updating or further action is needed. If there is a conflict of interest, the relevant person is required to withdraw from a meeting and not vote on the issue in question.

The most recent version of the Governors Business Interests can be accessed on the website:-

[Governors | Chertsey Nursery School](#)

[Governors | Dorking Nursery \(dorkingnurseryschool.co.uk\)](#)

**APPENDIX 4 – Separation of Duties**

	FGB	Chertsey Nursery School						Dorking Nursery School and Mole Valley Family Centre					
		Executive Head	Head of School	Senior leads	Assistant Bursar	Admin	Staff	Executive Head	Senior leads	Business Manager	Assistant Bursar	Staff	
Complete requisition form							X						X
Authorise requisition form (with values)			X					X					
Process order on FMS					X						X		
Authorise order on FMS					X						X		
Sign paper copy of order			X					X		X			
Check delivery note to goods received						X					X		
Check delivery note to order						X					X		
Check invoice to delivery note/order (where applicable)					X					X			
Sign invoice to authorise payment					X					X			
Process invoice on FMS					X						X		
Authorise invoice on FMS					X						X		
Produce cheques/BACS run					X					X			

Certify invoices		X	X	X	X			X	X	X		
Sign cheques/Authorise BACS run (specify limits of		X	X	X				X	X			
Cardholder authorised to use purchasing card: Individual transaction limit			X £1000					X £500	X £500 X £500			
Process transactions on FMS					X						X	
Check transaction log					N/A					N/A		
Process payment on FMS					X					X		
Raise invoices and enter amount on accounting system (if necessary)					X	X				X	X	
Record on accounting system					N/A					N/A		
<b>For online payment system:</b> Management of online payment system						X					X	
<b>For cash and online payment systems:</b> Check income received against records of income due					X					X		

Chase outstanding monies			X		X	X		X			X	
Approval of write-offs below £150			X					X				
Obtain verbal quotations					X					X	X	
Obtain formal written quotations					X					X	X	
Acceptance of quotations (include values)		X	X	X	X			X	X	X		
Prepare tender documentation												
Receive tenders												
Open tenders (nominated names)												
Evaluate tenders (nominated names)												
Appoint successful contractor					X					X		
Authorise appointment of staff			X					X				
Complete payroll forms for contract changes, supply, etc			X					X				
Authorise payroll forms – additional hours etc <b>NB Chair of Governors to authorise Headteacher's</b>			X					X				

Check staff salaries on month end reports					X	X				X		
Investigate variances between actuals and estimates					X	X				X		
Monitor staff budgets	X	X	X		X			X		X		
Monthly reconciliation of school's delegated bank account					X					X		
Produce local authority month end reports (VAT reimbursement etc)					X					X		
Undertake monthly/yearly reconciliation process					X					X		
Authorise month end reports			X					X				
Produce financial reports					X					X		
Review monthly reports	X	X	X		X			X		X		
Complete any budget movements required					X					X		
Authorise bank accounts and signatories			X					X				
Appoint an auditor					X					X		
Present accounts for audit					X					X		



Receive audit certificate and statement of accounts	X				X					X		
Receive management reports												
Authorise spending as detailed in policy			X	X				X	X			
Maintenance of accounting records					X						X	
Monthly reconciliation of school fund to bank account					X						X	
Executive Head	X											
Head of School		X										
Senior Leadership team		X	X					X				
Other staff		X	X	X				X	X	X		