

Lady Katherine Leveson
Church of England Primary School



CASH HANDLING Policy

Responsibility of: School Bursar

*Evaluation: Governors' Finance Committee,
Annually, Spring term*

Lady Katherine Leveson Church of England Primary School
Policy for Cash Handling

Overview:

Executive Summary

Purpose: To ensure that all cash is handled appropriately, and that all FMSIS recommendations are followed

Rationale: To have in place effective systems, known and used by all staff who handle cash

Key Principles:

Receipt of Cash

The School Secretary is responsible for cash collections within School; in addition, the Assistant Cook is responsible for the collection of dinner monies. They are responsible for the safe custody of cash until it is banked and therefore must ensure that the cash procedure is followed and that there are no loss of monies. It will, however, be the responsibility of the Board of Governors to decide if losses should be made good.

All cheques should, wherever possible, be made payable to Solihull MBC and crossed. The reverse of the cheque must be endorsed with the name of the establishment together with an appropriate reference. Unless specifically requested an official receipt is not required for cheque payments. To meet the requirements of the Accounts and Audit Regulations 1983 all cheques must be individually listed on the reverse of the paying in slip or other appropriate document, together with the receipt number where appropriate.

All receipt books, tickets and other forms or documents used to officially acknowledge or record amounts received must be in the format approved by the Finance Department.

Receipts must be issued in strict numerical order, with a copy receipt being retained as the Authority's official record of monies received.

Receipts must not be altered. If an incorrect entry is made, the receipt must be cancelled, endorsed with the word 'CANCELLED' and retained in the receipt book with the copy(s). A new receipt can then be issued.

All unused receipts/tickets must be stored in a secure place. When cash has to be transferred from one person to another, it should be counted and agreed by both officers and recorded. Only in this way can the possibility of a dispute regarding responsibility for a deficit be avoided. The occasions of cash transfer should be limited wherever possible.

Recording/Storage of Cash

Accounting records must be completed promptly and kept up to date.

Cash remittances received by post must be checked and recorded in the presence of another person.

All monies received must be held securely. A locked cash box or drawer is adequate during the day. However, monies should NEVER be left unattended. Monies should be stored in a safe.

Where several sources of income/funds are held by the same officer, the funds should always be separate and easily identifiable.

In order to comply with the Authority's Insurance Policy, all keys, in particular safe keys, are removed from the premises at night or when offices are left unattended. The School Secretary is responsible for the removal of the safe key overnight.

Access to the safe contents/key is restricted to the School Secretary, the School Bursar and the Assistant Cook.

Banking of Cash

All monies received must be banked promptly and intact. Large balances are never allowed to accumulate and personal cheques are never cashed, nor loans made.

Bankings made up for collection by a security firm must be 'bulk checked' by a second officer. This involves a complete count of the notes and a check of the number of bags of coins. The second officer must initial the paying in slip, upon which the seal number must be recorded, and witness the money being placed in the bag and sealed.

A signed acknowledgement must be received when handing money to any other officer or the appointed Security Company's representative.

Wherever possible duties must be arranged so that there is adequate separation of duties, i.e. the work of one person acts as a check on that of another.

Cash boxes within the safe must be kept locked, the key/s being retained by the School Secretary.

Cash Imprests

All impresses and floats follow the LEA guidelines. The impress holder is responsible at all times for the sum advanced.

The imprest holder must be satisfied that the purchase is legitimate for school purposes and is small or of an urgent nature. Individual receipts must not exceed £30. Should a one-off expenditure be required over this amount, approval will be sought prior to purchase from the Headteacher. Every transaction must be recorded as it occurs and supported wherever possible by a VAT receipt. Personal cheques, loans or borrowing must never occur.

Irregularities

The Chief Internal Auditor must be informed immediately of any loss or financial irregularities.

If money is found on the premises or is in the form of an unidentifiable receipt, it must be paid in immediately.

School Self Evaluation:

This policy shall be reviewed in line with any FMSIS recommendations, by the Finance Committee

Guidance for Parents/Carers:

Please ensure all monies sent in to school are clearly labelled, in an envelope. Envelopes can be obtained from the school office.