

# THE ABBEY PRIMARY SCHOOL

## INCOME POLICY

### 1 ANNUAL REVIEW OF CHARGES

All charges levied, in accordance with the charging policy, including deposits, will be subject to annual review by the Governing Body.

### 2 ADMINISTRATION OF INCOME

The school will only accept payments made through ParentPay.

#### **Non-invoicing Procedures**

Any requests for income will be in the form of a letter to parents. The letter will provide precise details of what the income is for and when payment is required. It will clearly be noted on this letter whether the payment is a voluntary contribution or not. The school is unable to offer any refund in the event that a child is unable to participate in an activity. Refunds will only be considered if the activity has been cancelled by the school.

#### **Invoicing Procedures**

Invoices will be administered in accordance with the Financial Regulations relating to Accounts Receivable.

Invoices will be generated by the Finance Assistant or the School Business Manager in the month that the goods or services are provided. Music tuition invoices will be raised in September, January and April. Music tuition fees will not be charged in respect of a pupil who is looked after by a local authority (within the meaning of section 22(l) of the Children Act 1989). Other invoices will be generated in the month that the services/goods are provided.

Invoices for block bookings will be raised in full for a minimum of 10 sessions, and full payment will be required at the commencement of the booking.

#### **Payments in Advance**

If payment is received in advance, the money will be accepted and recorded against the debtor's account on the SIMS Finance Module.

### 3 INCOME PROCESSING PROCEDURES

In exceptional circumstances the school may agree to accept payment by cash or cheque. Parents/Carers should hand any money to the Administrator who will immediately record the receipt of the income in the relevant income book. A receipt will be provided on request. The Finance Assistant will then be responsible for processing the income, ensuring that any income is stored securely in the safe.

For residential trips, parents paying by PayPoint will receive an individual payment book which records all payments which have been made and how much is outstanding. This is retained by the parent for their information.

On a weekly basis, the Finance Assistant reconciles the income with the underlying documentation and records it promptly on FMS in preparation for banking by the School Business Manager. Any income subject to VAT will be accounted for in accordance with the guidance provided in the VAT section of the LMS Financial Management Handbook.

#### **4 Storage of Money**

All income is stored in a locked safe pending banking; the keys of which are held by the School Business Manager and the Headteacher. All income is banked as and when required. The Headteacher carries out a management check, cross referencing all income received to the amount banked. A monthly reconciliation is performed by the Business Manager to ensure that all income banked appears on the bank statement.

#### **5 CREDIT CONTROL**

##### **INVOICED INCOME**

###### **Music Tuition**

Parents/Carers are to ensure that the school receives full payment for the music tuition within the required timeframe, irrespective of who is responsible for payment of the fees.

From October 2014, music tuition invoices will include the standard rate for music tuition fees plus any additional fees for the loan of school instruments. If the tuition fees have not been received after 14 days of the invoice date, a text will be sent advising that the fees are still outstanding. After 21 days, the parent/carer will be contacted by telephone or letter to advise that, if the debt is not paid within 7 days, they will be issued with an invoice for the late payment fee of £5 and the Governing Body retains the right to suspend music tuition until the debt is paid. This may additionally result in the school requesting payment for any future activities prior to the start of any new activity.

Parents must notify the school within 7 days of the invoice date if they wish to pay by instalments. Instalments can only be spread over the term which the music tuition is being invoiced for. Once a payment plan has been agreed, a payment card will be issued and there will be no liability for the late payment fee providing the terms of the payment plan are adhered to.

###### **Other Invoiced Income**

Payment is required within 28 days of the date on the invoice.

With regards to outstanding debt from block bookings, the Governing Body has the right to refuse the debtor access to school facilities until the debt is paid. If the debt remains unpaid and is for an amount greater than £50 (NCC Legal Services require debts to be in excess of £50) the Governing Body may decide to refer the case to the school's legal representatives.

The Finance Sub-Committee is kept informed about outstanding debts by age and value. Any unpaid debt is referred to the Governing Body to make a formal decision on how to proceed.

##### **NON-INVOICED INCOME**

School Trips – Whilst we only ask for a voluntary contribution towards the cost of providing a school trip, if the school does not receive sufficient income to cover the cost, the trip may need to be cancelled.

## **6 WRITE OFF OF DEBT**

Write off of debt will only be considered when the credit control procedures have been exhausted and are subject to authorisation from the Governing Body. The decision of the Governing Body will be clearly documented in the minutes of the relevant meeting.

Before closure of the financial year a list of debts proposed for write off will be prepared by the Finance Assistant and will be submitted to the Governing Body for consideration. The submitted list will be supported by details of the debt.

After the Governing Body has approved a debt write off, the Finance Assistant will take appropriate steps to cancel the debt from the system. Such write-offs will be cross referenced to the relevant Governing Body minutes.

## **7 CANCELLATION OF DEBT**

In instances where invoices have been incorrectly raised, the invoices will be presented to the Headteacher with an explanation of why the invoice is required to be cancelled. The responsible member of staff will mark "cancelled" across the invoice, and sign the invoice and all supporting documents which will be retained for audit purposes.