

# WHITEHILLS PRIMARY SCHOOL

*"...putting children first..."*



## INCOME POLICY

*Date reviewed: 23<sup>rd</sup> September 2021*

*Reviewed by: Governing Body*

*Ratified by Governors: October 2021*

# 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 in the autumn term.

## 2. Administration of Income

### Invoicing Procedures

- ◆ Invoices will be administered in accordance with the financial regulations relating to Accounts Receivable.
- ◆ Invoices will be prepared by the Business Manager.
- ◆ Invoices will be raised on a termly basis.
- ◆ Block bookings, invoices will be raised for a minimum of 10 sessions.
- ◆ Payment will be in full at the completion of the block booking.
- ◆ Payment in advance will be required by third party hirers of school facilities for one off bookings.

### Income Processing Procedures

- ◆ All income received will be passed to the school office who will keep a record of income received.
- ◆ A receipt will be raised for all income where this is requested.
- ◆ The receipt for income in respect of debtor's invoices and non-invoice income will be recorded promptly on the school accounting system.
- ◆ VAT will be accounted for in accordance with the guidance given in the VAT section of the Financial Management Handbook.
- ◆ Income will be held in a locked safe pending banking. Keys to the safe will be held by the School Business Manager and the Administrator.
- ◆ Income will be banked promptly and intact.
- ◆ A monthly reconciliation will be performed by the Business Manager to ensure that all income banked appears on the bank statement.

### Credit Control

- ◆ The credit terms for debtor's invoices are 14 days from invoice date for music tuition and 30 days from invoice date for external debtors.
- ◆ A reminder letter will be sent to debtors who have not paid their invoices 14 days after the due date.
- ◆ If the debt remains unpaid a further reminder letter will be sent 7 days from the date of the first reminder letter. In addition, where possible, the debtor will be contacted by telephone or in person.
- ◆ At this stage, the Head teacher can, at her discretion, refuse the debtor any further access to the school facilities until the debt is paid. At the point at which a long standing debt is paid, the Head teacher will decide if the debtor is permitted to make further use of the school facilities.
- ◆ If the debt remains unpaid for a further 30 days a third letter will be sent informing the debtor that the debt will be referred to the governing body and the school's legal representatives.

- ◆ If the debt remains unpaid and is for an amount greater than £50 it will be referred to the school's legal representative (WNC Legal Services).
- ◆ If the debt remains unpaid and is for less than the above, the Business Manager shall refer the matter to the Finance Committee of the governing body.
- ◆ On a monthly basis, a report will be presented detailing any outstanding debts by age and value.

**Write Off of Debt**

- ◆ Write off debt will only be considered when the credit control procedures have been exhausted.
- ◆ Before closure of the financial year, a list of debts proposed for write off will be prepared by the Business Manager, and will be submitted to the Governing body for consideration. The submitted list will be supported by details of the debt.
- ◆ The decision of the governing body will be clearly documented in the minutes of the relevant meeting.
- ◆ After the governing body has approved a debt write off, this will be recorded on the school's accounting system by the Business Manager. Such write offs will be cross referenced to the relevant governing body minutes.

**Cancellation of debt**

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

**Approved by the Governing Body on .....**