



# Hunsbury Park Primary School

## Income policy

Updated: April 2022

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## **1. Annual Review Of Charges**

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

## **2. Administration Of Income**

### **2.1 Invoicing Procedures**

- Invoices will be administrated in accordance with the Financial Regulations relating to Accounts Receivable.
- Invoices will be prepared by the School Business Manager.
- Invoices will be raised on a monthly/termly basis.

### **2.2 Income Processing procedures**

- All income received will be passed to the School Business Manager who will keep a record of income received.
- A receipt will be raised for all income received.
- The receipt of income in respect of debtor's invoices and non-invoiced income will be recorded promptly on the school's FMS system.
- VAT will be accounted for in accordance with the guidance given in the Section 5 of the Northamptonshire County Council Financial Management Handbook.
- Income will be held in a locked safe pending banking. Keys to the safe are held by the School Business Manager and the Office Manager.
- Income will be banked promptly and intact.
- A monthly reconciliation will be performed by the School Business Manager to ensure that all the income banked appears on the bank statement.

## **3. Credit Control**

- The credit terms for invoices are 30 days.
- A reminder letter will be sent to debtors who have not paid their invoices on the due date by the School Business Manager.
- If the debt remains unpaid a further reminder letter will be sent 30 days from the date of the first reminder letter by the School Business Manager. In addition where possible, the debtor will be contacted by telephone.
- At this stage the Head Teacher will 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 to be permitted to make further use of the schools 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 school's legal representative.
- If the debt remains unpaid and is for a greater than £50 it will be referred to the school's legal representatives.
- If the debt remains unpaid and is for less than above, it will be referred to the Governing Body by the School Business Manager.
- On a termly basis a report will be presented to the Governing Body detailing outstanding debts by age and value.

#### **4. Write Off of Debt**

- Write off of 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 School 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 School Business Manager. Such write-offs will be cross referenced to the relevant Governing Body minutes.

#### **5. Cancellation of Debt**

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