

Preparing for Cheque Book Status - Summary

➤ INTERNAL MANAGEMENT WITHIN THE SCHOOL

The Governing Body and Headteacher are responsible for embedding the cheque book scheme and ensuring it is managed efficiently in their school. There should be a clear management and organisational structure, to effect and manage the network of financial systems, including internal control, separation of duties and the security of the system.

➤ LA1 FORM – COMPLIANCE

Chair of Governors and Headteacher to sign LA1 form to agree compliance with the requirements of the scheme.

➤ PAYROLL - DIRECT DEBIT FORM

School to complete direct debit form and return to payroll to enable monthly payroll costs to be collected by the Birmingham City Council (BCC). Schools will pay the gross pay plus employer's costs to the BCC by DD monthly. Staff or payment issues must be directed to your contact in HR or Payroll. The contact details for both services are as shown in their Service Level Agreement documents.

➤ EXTERNAL BANK ACCOUNT

School to open external bank account to be used for official funds only. The opening of all accounts must be authorised by the Governing Body. Schools may use any UK Clearing Institution, either Bank or Building Society, (see Appendix A). BCC maintains a Lending List of financial institutions which it considers having an acceptable level of risk. All expenditure relating to the schools delegated budget for pay and non-pay items to be met from the cheque book bank account.

➤ BANK ACCOUNT DETAILS & SUPPLIER REQUEST FORM

Once the account is open the school send the bank account and sort code details (on school headed paper) along with completed supplier request form to School Funding Team. This is to set up the school as a new vendor on the Oracle system to receive payments into the bank account.

➤ SYSTEM IMPLICATIONS

The school system will need to be set up to operate the cheque book scheme. For schools subscribing to Entrust MIS SLA contact: Entrust Service Desk (formerly Link2ICT) on 0121 303 5100. Any other systems consult your system provider.

➤ **RECONCILIATION & CLOSURE OF EXISTING PETTY CASH/EPA ACCOUNT –
Dependent on outcome of Barclays meeting last Friday**

Send in final claim

Final reconciliation of petty cash at 31st of March must be completed

Cross through any remaining cheque books

Send in Petty Cash Closure Form/EPA (Request to close Imprest Account)

➤ **MANDATORY RETURNS**

Monthly Returns

VAT submittal report

Annex A – Bank account reconciliation for all accounts held by school

Bank statement for all accounts held by school

Unreconciled items report

Balance and reserves report

All reports to be signed by Headteacher

Termly Returns

System VAT submittal report

Annex A – Bank reconciliation for all bank accounts held by school

Bank statement for all accounts held by school

Annex B – Income and Expenditure Account

Annex C – Cashflow Statement

Trial Balance

All reports to be signed by Headteacher

Year End Workbook

Correspondence will be sent out prior to yearend on the process and requirements

Support to Schools

Email:

FullCBSMailbox@birmingham.gov.uk

(Please ensure school's full name is in the subject box when sending emails)

WEBSITE

[Schools financial procedures manual | Budgets for schools in Birmingham | Birmingham City Council](#)