

Accounting procedures

The schools financial procedures provides maintained schools with guidance on a range of financial management processes that are set out as individual sections.

Introduction

The school accounts maintained on the central accounting system form part of the statutory accounts of Ealing LA and as such they must be prepared in accordance with statutory requirements. In addition to these central accounting records, all schools operating under the scheme for financing schools may use only local accounting systems, approved by the Local Authority (LA), and will also form a subsidiary part of the LA's statutory accounts. These financial regulations seek to ensure that the central and local accounting records, where appropriate, are prepared on a consistent basis in line with statutory requirements, including those, again where appropriate, relate to accounting for VAT.

Regulations

1.1 The LA is required, under the Section 21(2) of Local Government Act 2003, to follow "proper accounting practices". To help ensure this, all financial accounting systems operated by the LA shall be subject to the approval by the Chief Finance Officer (CFO) or their representative officers, who with schools accountancy are responsible for the continuous production of financial management information. This responsibility will also include the production of financial guidance and instructions relating to accounting practices. The Act: [Local Government Act 2003](#)

1.2 Schools shall use only those local accounting systems that have been approved by the LA. The current approved main accounting system is SIMS FMS. They shall be operated in accordance with guidelines and instructions issued from time to time by Ealing LA, CFO or their representative officers and schools accountancy. Financial records will be kept in accordance with published time scales.

1.3 Schools are required to assist the CFO and schools accountancy in maintaining Ealing LA's statutory Accounts and Monitoring systems by supplying such information as they require and ensuring that the information input to the Central Accounting System is accurate.

1.4 Where there is a need to reconcile one accounting system with another, such tasks shall be completed in a timely manner. Minimum reconciliation is monthly. All discrepancies should be corrected or adjusted within a short period of time.

1.5 The accounts maintained by Finance, under Section 151 responsibilities are the LA's statutory accounts and the amount of a School's income and expenditure for a financial year shall be determined solely by reference to these statutory accounts. Details of income and expenditure processed through any approved local system shall be forwarded as requested and, in the manner, approved by the LA. Financial instructions will set out the required form and content of accounts and a suitable timetable established to enable the LA's statement of accounts to be produced.

1.6 All data to be processed by 'Central Services' on behalf of schools, or by staff in schools, shall conform to any timetable defined by both the CFO or their representative Officers and Ealing LA. Activities subject to such deadlines will include:

- budget preparation
- final 3 Year budget plan
- budget monitoring reports
- preparation of interim/final accounts
- statistical data (including Consistent Financial Reporting (CFR) and termly Financial Returns)

1.7 Schools must comply with the VAT regulations detailed in the VAT Act 1994 and subsequent amendments. The Act: [Value Added Tax Act 1994](#)

Contacts

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