



INCOME POLICY

Adopted by the Trust Board: October 2025

Review: Autumn 2026



Updates since last edition

Number section	Title section	Details of changes
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1. Introduction

This policy defines the procedure to be followed when handling money that has been received as income for the school.

2. Charges

All charges levied, including deposits shall be in accordance with the School Charging and Remissions Policy which shall be reviewed annually by Board of Directors as part of the approval of the school budget.

3. Administration of Income

3.1 Invoicing Procedure

- 3.1.1 All invoices will be raised on PS Financials and will be administered in accordance with the Financial Regulations relating to Income.
- 3.1.2 Invoices will be prepared by the Finance Department.
- 3.1.3 Invoices will be raised when required.
- 3.1.4 Invoices for block bookings will be raised in full on a monthly basis and payment will be required in full before the second meeting of the block of bookings
- 3.1.5 Payments in advance are required for any 'one off' or individual bookings.

3.2. Income Processing Procedures

- 3.2.1. All income for school meals, school visits, uniform and breakfast/after school Clubs should be processed via the online payments processing platform used by the school, (where the individual school has implemented a cashless process) and registers kept by the school office to monitor payments received and outstanding amounts.
- 3.2.2. Other income received in the form of cash or cheque such as payments for lettings and donations will be recorded on an income sheet in the school office and a receipt will be issued for all amounts above £30. For schools who are not 'cashless' registers must still be kept as in section 3.2.1 to monitor payments received and outstanding amounts. Any income relating to an invoice must be accompanied by the remittance advice from the foot of the invoice.
- 3.2.3. Receipt of non-invoiced income and income in respect of debtor invoices will be posted promptly to PS Financials by the Finance Department.
- 3.2.4. If the receipt of income implies a commitment by the school to future expenditure, that commitment will be recorded in the accounts in parallel with, or in advance of the recording of the income. In cases where one commitment is to be balanced by a series of small income payments, a single commitment for the full amount will be made on receipt of the first payment.



- 3.2.5. Income will be held in a locked safe/cabinet pending banking. Keys to the safe/cabinet will be held by the School Office Manager. Income will be banked on a bi-weekly basis.
- 3.2.6. The operation of the above procedure shall be audited by the Responsible Officer checking several transactions of each type at regular intervals. The transaction numbers and the result of the audit shall be recorded.

4. Credit Control

- 4.1. No credit is allowed.
- 4.2. Where a service is being provided, this will cease immediately and the debtor will be informed of this in writing. The service will not be reinstated until the debt is cleared and payment of future services is made in advance.
- 4.3. A reminder letter will be sent to debtors three weeks from date of invoice/service provided.
- 4.4. If the debt remains unpaid a further reminder letter will be sent six weeks from date of invoice/service provided.
- 4.5. A final reminder letter will be sent nine weeks from date of invoice/service provided. This final reminder will be sent by recorded delivery, threatening legal action if the amount exceeds £50.

5. Write-off

- 5.1. If, after every effort has been made to collect the debt and legal action considered impractical or has been unsuccessful debts may be written off. The Headteacher may write off debts up to £250.00. Amounts exceeding this require the approval as detailed in the Trust's Financial Regulations. Any bad debts in excess of 1% of the Academy's total annual income, or £45,000 (whichever is the lower amount) must be reported to the ESFA.

6. Cancellation of Debt

- 6.1. In instances where invoices have been incorrectly raised a corresponding credit note will be raised detailing the reason why the invoice has been cancelled. Copies of the invoice and credit note will be retained for audit purposes.