



CARDINAL NEWMAN
CATHOLIC SCHOOL

September 2018

Reviewed by: Governing
Body

**Governors Fund
(Capital) Terms of
Reference**

Purpose and Objectives

The purpose of the Governors Fund is to support the aims of the school to enhance the learning environment of its students by using Devolved Formula Capital Grant (DFCG) and Locally Co-ordinated Voluntary Aided Programme (LCVAP) funds to finance capital projects. Funds cannot be used on projects with a value of less than £2000. Smaller projects can be grouped together to meet this minimum value.

Points to consider before embarking on any capital project:

1. The project must be identified as an asset management priority and should be in the school's development plan or capital plan.
2. Schools should have a rolling programme of maintenance for such items as interior and exterior decorating and windows.
3. Schools are able to use DFCG to be able to maintain and upgrade their IT.
4. Schools must obtain the permission of the Diocese as trustee of the school site, prior to embarking on any major capital project.
5. The Governing Body should ensure that it has sufficient funds to meet its 10% liability. Parents are asked for a voluntary contribution towards the Governors Fund. Where income is collected for a specific purpose, the expenditure shall be in line with this purpose, as advised to contributing parties. Where there are insufficient funds to meet the 10% liability, this can be taken from the budget share but would have to be considered alongside other financial commitments in the school's budget.

Administration

The official title of the Governor fund is Cardinal Newman Catholic School Governor Fund and the Chair of the Resources Committee shall be the Honorary Treasurer of the Governor Fund. The treasurer will not also be a cheque signatory to the fund. The day to day management of the fund is the responsibility of the Principal although overall responsibility for the fund lies with the Governing Body.

The Resources Committee will decide on spending priorities and fund raising needs.

For expenditure under £30,000, the agreement of the Principal is sufficient. For purchases between £30,001 and £60,000, the approval of the Resources Committee must be obtained, for purchases over £60,001 the approval of the Full Governing Body must be obtained.

Although not public funds, the Governors Fund shall be subject to the Local Authority's Financial Regulations and Procurement Standing Orders.

Appropriate accounting records shall be maintained and kept fully up to date throughout the year.

The Governors fund is banked in a RBS & a HSBC Bank account. Cheque signatories are the [Principal](#), [Head of School](#), [Head of College](#), [Head of RE & Chaplaincy](#) and [Business Manager](#), two from five.

These terms of reference will be subject to an annual review and minuted at a Governing Body meeting.

The Governors will ensure that all records are retained for 6 years plus the current year

Audit

The fund has a financial year end of 31st March. Annually, a summary of income and expenditure, and a statement of balances, is prepared by the Business Manager.

The financial statements are externally audited by an independent person with a financial background. They are considered to be a suitable person to audit the fund, having regard to the nature and complexity of it.

Audited accounts are presented to the Governing Body each year for formal approval in accordance with the School's Scheme of Delegation.

Closure

The Fund may be wound up on the agreement of the Governing Body or in the event of closure or amalgamation of the school. Where such an event occurs all liabilities of the Fund will be paid and the remaining assets will be distributed as follows:-

- a) Amalgamation with another school: transfer to the Governor Fund of the newly formed school.
- b) Closure of the school for reasons preventing distribution of the Funds as at a) above: transfer to a charitable organisation or diocese.