



**Circular Number: 0060/2017**

**To: The Management Authorities of recognised Primary Schools**

## **Roll out and operation of the Financial Support Services Unit (FSSU) at Primary Level**

### **1. Purpose.**

The purpose of this circular is to inform school management authorities of recognised Primary schools of the roll out and operation of the FSSU at Primary level with effect from September 2017.

The FSSU will provide advice and support to schools in financial governance and strengthen the existing arrangements at primary level including standardising arrangements for compliance with accounting requirements under Section 18 of the Education Act 1998.

The expansion of the FSSU to include primary level is referenced in the *Governance Manual for Primary Schools 2015-2019* and is included in the Department of Education & Skills Action Plan for 2017.

### **2. Role of the FSSU.**

The role of the FSSU includes:

- Provision of advice and support to schools on financial governance matters including compliance with the requirements of this circular.
- Development of templates for use by schools in relation to financial matters including a standardised national template for annual school accounts.
- Acting as a central repository for receipt of annual school accounts prepared by an external accountant/auditor registered with a recognised accountancy body in the State.
- Carrying out such audits as may be required.
- Preparation of an annual report for the Department.
- Liaison with the Department in relation to financial matters pertaining to Primary schools.
- Submission of financial information to the Charities Regulatory Authority (CRA) which will also satisfy the financial reporting obligations placed on schools by the Charities Act 2009.
- Provision of statistical information to the Central Statistics Office (CSO) in relation to its requirements for financial information in respect of the school system.

Further details in relation to the FSSU can be obtained on its website [www.fssu.ie](http://www.fssu.ie).

The FSSU is hosted by the Joint Managerial Body (JMB).

### 3. FSSU Advisory Committee.

An FSSU Advisory Committee is in place to advise and support the operation of the FSSU at primary level so as to reflect the needs of the primary sector. This Committee includes representatives from the Department, School Management Bodies and the FSSU.

### 4. What will the FSSU mean for each Primary School?

- a) The FSSU will be an important source of advice and support for primary schools on financial governance matters - primarily provided via on-line and telephone support. Further details are available at [www.fssu.ie](http://www.fssu.ie).
- b) The FSSU have developed a suite of templates for use by schools as follows:
- Templates for use internally by schools for monitoring monthly income, expenditure, budget management, cash flow etc. The use of the FSSU internal templates is optional for schools who may wish to continue to use the IPPN Airgead Bunscoile/Financial Template, CPSMA Accounts templates etc. for their internal use.
  - A standardised national template for the submission to the FSSU of annual school accounts, prepared by an external accountant/auditor registered with a recognised accountancy body in the state, will be introduced on a phased basis. The national template will be the standardised method for accountants/auditors to prepare annual school accounts in accordance with the requirements of Section 18 of the Education Act, 1998.
  - A standard template report for use when providing summary financial information to parents will be available as part of the standardised national template for annual school accounts.
- c) It is the responsibility of the Board of Management to ensure financial accounts are submitted to the FSSU by its external accountant/auditor. This will satisfy the requirement under Section 18 of the Education Act 1998 for schools to make available their accounts for inspection by the Minister.

Schools will be required to submit accounts to the FSSU in respect of the 2018/19 school year and annually thereafter in the prescribed format and by the relevant deadline.

The following is the timeline for same:

<b>2017/18 school year</b>	FSSU will focus on provision of advice and support as part of preparations for the phased introduction of the standardised national template for annual school accounts.
<b>2018/19 school year</b>	This will be the first year for annual school accounts to be prepared using the standardised national template. This will be the required format for schools to fulfil obligations under Section 18 of the Education Act, 1998.
<b>End February 2020</b>	This will be the latest date for annual school accounts for the 2018/19 school year to be submitted to the FSSU.
<b>Annually thereafter</b>	Annual School Accounts to be submitted to the FSSU in the prescribed format by the end of February (6 months after the end of the school year).

The completed accounts must be accompanied by such other information as the FSSU may require.

The above requirements are in addition to any specific requirement of the patron in relation to the submission of annual accounts.

- d) The submission of annual school accounts to the FSSU, in the prescribed format and by the relevant deadline, will also satisfy the financial reporting obligations placed on schools by the Charities Act 2009.

It will also meet any financial reporting requirements of the Central Statistics Office.

- e) Schools may be subject to audit by the FSSU as part of its ongoing programme of work.

### **5. What will the FSSU mean for school patrons?**

The Board of Management is required to manage the school on behalf of the patron. In this regard:

- a) The FSSU will, where requested, provide patrons with a list of their schools indicating if they are compliant in relation to the submission of annual school accounts.
- b) Patrons may, where appropriate, contact the FSSU to request that an audit of a school be carried out.

### **6. What will the FSSU mean for Parents?**

A standardised national approach will be in place for provision of summary financial information to parents. This will be done for the 2018/19 school year onwards as part of the standardised national template for annual school accounts.

### **7. Legislative Context.**

#### **Education Act, 1998.**

Boards of Management are reminded of their responsibility to ensure appropriate accounting and financial procedures are in place in line with Section 18 of the Education Act, 1998 which requires that:

18.—(1) Except in the case of a school established or maintained by a vocational education committee, a board shall keep all proper and usual accounts and records of all monies received by it or expenditure of such monies incurred by it and shall ensure that in each year all such accounts are properly audited or certified in accordance with best accounting practice.

(2) Accounts kept in pursuance of this section shall be made available by the school concerned for inspection by the Minister and by parents of students in the school, in so far as those accounts relate to monies provided in accordance with section 12.

#### **Charities Act 2009.**

The Charities Act 2009 requires each Board of Management to have its school registered with the CRA and to verify its registration details once a year. It is an offence for an unregistered charitable organisation to carry on activities in the State.

Furthermore, all organisations on the Register of Charities are required to provide summary details of all income and expenditure to the CRA on a yearly basis. It is envisaged that this will be done in respect of schools via the FSSU. Schools who submit their accounts to the FSSU in the prescribed format and within the required timeframe will benefit from not having to separately return this financial information to the CRA.

Queries to the CRA should be addressed to: [info@charitiesregulator.ie](mailto:info@charitiesregulator.ie). Further information is also available on its website at [www.charitiesregulator.ie](http://www.charitiesregulator.ie).

#### **8. Compliance with the terms of this circular.**

All Boards of Management of recognised schools are required to comply with the requirements of this circular including in relation to the use of the standardised national template for annual school accounts and submission of same to FSSU in the prescribed format and within the required timeframe. Schools that fail to comply with these requirements will be at higher risk of audit.

#### **9. Circulation and Queries.**

This Circular includes an FAQ section that will be updated as appropriate over time.

Please ensure that this Circular is brought to the attention of the Board of Management and the Parents Association (if any).

Queries from schools in relation to this Circular should be addressed to the FSSU. The relevant contact details are published on its website at [www.fssu.ie](http://www.fssu.ie).

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**September 2017**

## Frequently asked Questions

### Financial Support Services Unit (FSSU) - Expansion at Primary Level

#### FSSU

##### Where can I get more information about the FSSU?

Information in relation to the FSSU is available on its website at [www.FSSU.ie](http://www.FSSU.ie).

#### FSSU TEMPLATES

##### What is the benefit of using the FSSU internal templates for monitoring monthly income, expenditure, budget management, cash flow etc.?

The format of the FSSU internal templates is consistent with the standardised national template for annual school accounts. Therefore, use of the internal FSSU templates may result in lower accountancy fees for certifying or auditing annual school accounts (as required under Section 18 of the Education Act, 1998) as the information presented to an Accountant will be in a format that will facilitate relevant data for the annual school accounts to be extracted more readily.

##### Are there alternative internal templates for monitoring monthly income, expenditure, budget management, cash flow etc. that may be used?

The use of the FSSU internal templates is optional for schools who may if they so wish, continue to use the IPPN Airgead Bunscoile/Financial Template, CPSMA Accounts templates etc. for their internal use.

However, the standardised national template for annual school accounts must be used by all schools in line with the timeline set out in this circular.

##### Can the FSSU internal templates be tailored to suit the needs of individual schools?

The FSSU internal templates have been developed to cater for all schools. They can be revised so as to tailor them to the needs of individual schools. You may contact the FSSU if you require assistance in relation to this.

## ANNUAL ACCOUNTS

### What is the timeframe for the introduction of the standardised national template for annual school accounts?

The following is the timeline:

<b>2017/18 school year</b>	FSSU will focus on provision of advice and support as part of preparations for the phased introduction of the standardised national template for annual school accounts.
<b>2018/19 school year</b>	This will be the first year for annual school accounts to be prepared using the standardised national template. This will be the required format for schools to fulfil obligations under Section 18 of the Education Act, 1998.
<b>End February 2020</b>	This will be the latest date for annual school accounts for the 2018/19 school year to be submitted to the FSSU.
<b>Annually thereafter</b>	Annual school accounts to be submitted to the FSSU in the prescribed format by the end of February (6 months after the end of the school year).

### Can the accounts be sent directly to the FSSU?

Once the annual school accounts have been certified or audited and approved by the Board of Management they should be sent electronically to the FSSU by the external accountant/auditor. This is in addition to any specific requirement of the patron in relation to the submission of annual accounts.