

Section 16: Reporting Performance

16.1 Overview

The general purpose of the financial statements is to provide information about the results of operations, financial position, and cash flows of an organization. This information is used to make decisions regarding the allocation of resources and provide governance over business operations.

16.2 Management reports

16.2.1 Mandatory policy (Must do):

Sequence Numbers	Information	
16.2.1.1	Undertake a bank reconciliation and prepare a report for each active bank account at the end of each month.	
16.2.1.2	Provide a written explanation of any differences on the bank reconciliation report.	
16.2.1.3	Have the bank reconciliation report certified by the principal.	
16.2.1.4	Ensure that bank accounts do not show a negative balance (are overdrawn) either at the bank or in CASES21.	
16.2.1.5	Regularly review the outstanding family and sundry debtor balances to assess collectability and take any appropriate action.	
16.2.1.6	Regularly review creditor invoices awaiting payment and orders to assess validity and take any appropriate action.	
16.2.1.7	Regularly review any prepaid expense balance and take any appropriate action.	

16.3 Reporting to School Council

16.3.1 Mandatory policy (Must do):

Sequence Numbers	Information	
16.3.1.1	Present the following reports to finance committee each month for review (if the school does not have a finance committee the reports must be presented to the school council):	

Sequence Numbers	Information	
	<ul style="list-style-type: none"> • Balance Sheet Specific Period (GL21161) – This report must be certified by the principal and the school council president; • Operating Statement (detailed) (GL21150) – This report must be certified by the principal and the school council president; • Cash Flow Statement (GL21151); • Bank Account Movements Detailed (GL21152); • Cash Receipts Report (GL21152); • Cash Payments Report (GL21002); • Cancelled Receipts Report (GL21004) – This report must be certified by the principal; • Cancelled Payments Report (GL21005) – This report must be certified by the principal; • Invoices Awaiting Payment Detailed (GL21118); • Annual Subprogram Budget Report (GL21157); • Journal Report (GL21006) – This report must be certified by the principal; • Family Credit Notes Report (DF21309) – This report must be certified by the principal; • Sundry Debtor Credit Notes Report (DR21309) – This report must be certified by the principal; • Bank Reconciliation Reports; • A report that informs school council of the overall Student Resource Package (SRP) position of the school. 	
16.3.1.2	<p>Present the following reports to school council each month for review:</p> <ul style="list-style-type: none"> • Balance Sheet Specific Period (GL21161) – This report must be certified by the principal and the school council president; • Operating Statement (detailed) (GL21150) – This report must be certified by the principal and the school council president. 	
16.3.1.3	<p>Inform school council of the overall Student Resource Package (SRP) position of the school.</p>	
16.3.1.4	<p>As required, provide school council with reports on trading operations. (Refer to section 12 Trading Operations).</p>	
16.3.1.5	<p>Provide school council with a report outlining the financial outcome of all camps and excursions.</p>	

Sequence Numbers	Information
16.3.1.6	Record in the minutes of school council that the reports have been presented and reviewed and retain copies of the reports for audit purposes.

16.4 School annual report

The purpose of the annual report is to inform parents and the wider school community of the school's performance outcomes, its efforts to progress improved student achievement, and to meet legislative and regulatory requirements under the *Education and Training Reform Act 2006*.

Schools are required to submit a school annual report to the Department by 30 April each year.

Annual reports are made available to the school community at a public meeting organised by the school principal, and on the VRQA State Register.

Each school's annual report template can be accessed from the [School Performance Reporting](#) website.

16.4.1 Mandatory policy (Must do):

Sequence Numbers	Information
16.4.1.1	Complete end of year procedures (31 December) by the due date set for school annual report data collection.

16.5 Financial Commitment Summary

The Financial Commitment Summary assists with identifying the end use of funds held by a school at the close of the year. The pre-populated total bank account balance amount, less the operating reserve amount, is the amount of funds that are to be committed by way of the Financial Commitment Summary. A Financial Commitment Worksheet is available to assist schools with the breakdown of available funds and how to allocate them into the various commitment categories.

16.5.1 Mandatory policy (Must do):

Sequence Numbers	Information	
16.5.1.1	Complete the Financial Commitment Summary as part of CASES21 end of year procedures.	
16.5.1.2	Complete and retain the Financial Commitment Summary Worksheet as part of end of year procedures.	
16.5.1.3	Have the Financial Commitment Summary reviewed and signed by the principal and school council president and tabled at school council.	

16.5.2 Prohibited policy (Must not do):

Sequence Numbers	Information	
16.5.2.1	Increase the cash reserve benchmark in the Financial Commitment Summary beyond the system calculated amount.	

Legislative requirements

Legislation

The advice in this section was based on requirements outlined in the following legislation:

- *Education and Training Reform Act 2006* – Part 2.3 – Government School Councils
- *Education and Training Regulations 2017* – Part 4 – Government School Councils and Parents Clubs.
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- Standing Directions of the Minister of Finance 2018 under the *Financial Management Act 1994* – Section 4.1 Planning and managing performance, 5.2 Annual reporting and 5.3 External reporting and information provision.

Definitions

Bank reconciliation Process whereby differences between bank account balances reported on the bank statement and bank account balances reported on CASES21 are identified and explained.

CASES21 CASES21 (Computerised Administrative System Environment in Schools) is the software package provided to Victorian Government schools to support school administration, finance and central reporting.

Operating Reserve Safety net of available funds that schools must keep uncommitted to meet their day-to-day financial obligations. This amount is calculated by obtaining the average of two months school calendar year recurrent expenditure (from a school's Operating Statement GL21150) adjusted for expenditure on Building Works (86504), Ground Works (86505) and non-cash expenditure items such as Asset Write Downs (89591).

VRQA Victorian Registration and Qualifications Authority – A statutory authority of the Department responsible for the registration of schools to ensure they meet expected quality standards.

Additional resources

- [CASES21 Finance Business Process Guide Section 8 – End of Period](#)
- [Financial Reporting for Schools](#)
- [Financial Commitment Summary Guidelines](#)
- [Financial Commitment Summary Worksheet](#)

Revision and version control record

Date	Version	Approver	Next Review
01/2020	1.3	Chief Finance Officer - Financial Services Division	01/2021