# Payment of low value invoices through the Schools Imprest Account

Derbyshire County Council has recently undertaken some analysis of the costs associated with the payment of invoices through SAP and reviewed the values of invoices being processed. As a result of this analysis and to ensure that resources are being used efficiently and effectively, schools are encouraged to utilise the school imprest account when paying for low value goods / services, an example of this type of transaction would be purchases via Amazon. This will help to ensure the admin burden for processing invoices is kept to a minimum. Whilst the definition of ‘low value’ is a matter for individual schools to decide this should be a minimum of £10. Your imprest account has a debit card linked to it and so it is important that low value payments and on-line purchases are carried out in accordance with the Schools Debit Card policy.

A downside to payments being processed through the school imprest account is the ability to automatically reclaim VAT at the point of payment. Schools can retrospectively reclaim this by sending in details / copy receipts to VAT.enquiries@derbyshire.gov.uk . As this does involve an admin cost schools are asked to keep requests to a minimum by submitting annually or when the amount to be reclaimed exceeds £100. This process maybe subject to review in the future when further guidance is issued by HMRC on its ‘making tax digital’ initiative.

Instalments are paid into school imprest accounts in April & August (unless the balance of the account already exceeds the annual amount) and are based on historical amounts held centrally by the Accountancy Section. If you find these amounts are no longer adequate for the usage of the account then these can be changed by e-mailing CS.accountancy@derbyshire.gov.uk . Schools are requested to get approval from the schools governing body before making a request. Additional funds can also be requested at any time of the year by completing an MD13I School Summary of Accounts form and sending to accounts.payable@derbyshire.gov.uk for coding and approval in VIM. If you find you urgently need additional funds then you will need to complete an MD45 Internal Transfer form which is available from Accounts Payable. Master Data forms are available on SchoolsNet.