

ATLAS Multi Academy Trust

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|  | <h2 style="margin: 0;">ATLAS Multi Academy Trust</h2> |
| Financial Manual and Procedures | |
| Trust sub-committee: Resources Committee | |
| Co-ordinator: ATLAS Executive Team | |
| Last Reviewed: Spring 2021 | Next Review: Spring 2022 |
| St Albans Girls' School : Beech Hyde Primary School and Nursery : The Adeyfield Academy | |
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| Signed by: Margaret Chapman <i>Executive Head Teacher</i> | Signed by: Rachael Kenningham <i>Chair of ATLAS Board of Directors</i> |

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| 1. | INTRODUCTION |
| 1.1 | The purpose of this manual is to ensure that the Trust maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE). |
| 1.2 | The school Trust must comply with the principles of financial control outlined in the school financial handbook published by the DfE. This manual expands on that and provides detailed information on the school's accounting procedures and systems and should be read by all staff involved with financial systems. |
| 2. | ORGANISATION |
| 2.1 | The Trust is governed by a board of directors constituted under a Memorandum of Association and Articles of Association. The board of directors is responsible for ensuring that high standards of corporate governance are maintained. The Trust has defined the responsibilities of each person involved in the administration of Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for directors, governors and staff. The financial reporting structure is illustrated below: |
| 2.2 | Organisational Structure The Trust has a clearly defined structure served by the following committees: <ul style="list-style-type: none"> • Board of Directors • Trust Resources, Audit and Risk Committee • Trust Standards Committee • Local Governing Body |
| 2.3 | The Board of Directors The board of directors fulfils a largely strategic leadership role and has overall responsibility for the administration of the Trust's finances. The main responsibilities of the board of directors are |

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| | <p>prescribed in the Funding Agreement between the Trust and the DfE, Terms of Reference and in the Trust scheme of governance.</p> <p>The main responsibilities include:</p> <ul style="list-style-type: none"> • ensuring that grant from the DfE is used only for the purposes intended • appointment of-Head Teachers / Principals and senior staff • receiving of the audit • approval of the annual budget • maintain a list of business interest for directors • approval of policies • authorisation of orders for goods, works and services between £50,001 and EU limits • approval of school development plan • agrees a formal schedule of delegation • approve payments made to the Head Teacher / Principal |
| <p>2.4</p> | <p>The Resources Committee</p> <p>The Resources Committee is a committee of the Board of Directors. The committee meets at least once a term but more frequent meetings can be arranged if necessary.</p> <p>The main responsibilities of the Resources Committee are detailed in the Terms of Reference and Schedule of Financial Delegation which has been authorised by the board of directors.</p> <p>St Albans Girls’ School, Finance, Premises and Operations Committee has a delegated responsibility from the Board of Trustees to facilitate the same powers as the Resources Committee for this school only.</p> <p>The main responsibilities include:</p> <ul style="list-style-type: none"> • the initial review and recommendation of the annual budget to the full board of directors • the regular monitoring of actual expenditure and income against budget • ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies • present findings of audit to full board of directors • ensuring that a minimum of three written quotations are obtained for goods, works and services valued between £10,001 and £50,000 • ensuring that a tender specification is provided and appropriate suppliers invited to tender, the Trust may use the find a tender service to search and apply for high value contracts (usually above £118,000) in the UK’s public and utilities sectors. Find a Tender has replaced the EU’s Tenders Electronic Daily from 1/1/2021 for high value contracts in the UK. . • For goods, works and services the EU Procurement Threshold are: <ul style="list-style-type: none"> ▪ Goods - £189,330 ▪ Works - £4,733,252 ▪ Most services - £189,330 • Some series for education are covered by the ‘light touch regime’. The threshold for these is £663,540 <ul style="list-style-type: none"> ▪ The new light-touch regime (LTR) is a specific set of rules for certain service contracts that tend to be of lower interest to cross-border competition. Those service contracts include certain social, health and education services, defined by Common Procurement Vocabulary (CPV) codes. The list of services to which the Light-Touch Regime applies can be found here. • authorising expenditure for goods, works and services between £10,001 and £50,000 |

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| | <p>reviewing the reports of the internal audit on the effectiveness of the financial procedures and controls, and reported this to the full board of directors</p> <ul style="list-style-type: none"> • approve all payments over £500 to the Head Teacher / Principal ie reimbursement of payment for goods, services purchased on behalf of the school • open bank accounts, business charge cards and approve signatories • approval of disposal of assets in excess of £500 • receiving of policies and recommending to full board of directors • writing off of bad debts over £500* • reviewing report of insurance cover • review benchmarking report • authorising and overseeing any investments • *any single debt in excess of £1000 requires Secretary of State approval |
| <p>2.5</p> | <p>The CEO, Head Teacher or Principal</p> <p>In each school within the Trust, within the framework of their school development plan as approved by the board of directors, the Head Teacher / Principal has overall executive responsibility for the school's activities including financial activities under the direct supervision of the Executive Head Teacher. Much of the financial responsibility has been delegated to the COO, budget holders and finance team, but the Head Teacher / Principal in conjunction with the Executive Head Teacher still retains responsibility for:</p> <ul style="list-style-type: none"> • approving new staff appointments • authorising expenditure for goods, works and services between £5001 and £10,000 • ensuring that a minimum of two written quotations are obtained for goods, works and services between £5001 and £10,000 • ensuring that a minimum of three written quotes are obtained for goods, works and services between £10,001 and £50,000 • ensuring tendering process is followed • signing cheques, authorising BACs payments (in conjunction with any other authorised signatory if over £1000). • review monthly management accounts • sign off monthly payroll • approve quarterly VAT claims • approving disposal of assets under £500 • writing off of bad debts under £500 • approving any access to digital systems used and user access for staff |
| <p>2.6</p> | <p>Accounting Officer</p> <p>The Funding Agreement requires the Trust to identify the CEO as the Accounting Officer. This post confers responsibility for financial and administrative matters. This is a vital role, as the Accounting Officer is personally responsible to the board of directors for ensuring:</p> <ul style="list-style-type: none"> • regularity and propriety • prudent and economical administration • avoidance of waste and extravagance • efficient and effective use of available resources and • the day to day organisation, staffing and management of the school <p>Included in the responsibilities of the Accounting Officer is a duty to take appropriate action if the board of directors, or the Chairman, is contemplating a course of action which he or she considers would infringe the requirements of propriety or regularity (including the provisions of the Funding Agreement, the School's Development Plan, or other documents setting out the financial duties of the board of directors or of any other rules governing the conduct of the body), or would not represent prudent or economical administration, or the efficient or effective discharge of the board</p> |

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| | <p>of directors functions.</p> <p>In such circumstances, the Accounting Officer would be required to put his or her objections in writing to the board of directors and to advise them of the requirement to inform the DfE Accounting Officer (the Permanent Secretary) and the school’s external auditors, as well as the Controller and Auditor General.</p> <p>Such notification should occur without undue delay, and the Departmental Accounting Officer will need to consider whether to intervene in such cases.</p> <p>The Accounting Officer may delegate, or appoint others to assist in these responsibilities, as set out in the Schedule of Financial Delegation Policy.</p> |
| <p>2.7</p> | <p>The COO</p> <p>The COO works in close collaboration with the CEO (Executive Head Teacher) / Head Teacher / Principal through whom he or she is responsible to the directors. The COO also has direct access to the directors via the Resources Audit and Risk Committee.</p> <p>The main responsibilities of the COO are:</p> <ul style="list-style-type: none"> • the management of the school financial position at a strategic and operational level within the framework for financial control determined by the board of directors • preparation of annual budget, and 3 and 5 year forecast budgets • the maintenance of effective systems of internal control • ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the school • ensuring forms and returns are sent to the DfE and Companies House in line with the published timetables • Undertakes annual benchmarking and presents to finance directors • ensuring that the Trust Finance Manager and finance team manage the day to day financial issues including the establishment and operation of a suitable accounting system • ensuring that the Trust Finance Manager and finance team prepare monthly management accounts • ensure that the national deal for schools has been considered for appropriate procurement • Delegated management of the procurement and tender process as detailed in the Procurement Policy |
| <p>2.8</p> | <p>Internal Audit</p> <p>Internal audit, which is appointed by the board of directors and provides directors with an independent oversight of the school’s financial affairs is currently carried out by Williams Giles. The main duty of internal audit is to provide the board of directors with independent assurance that:</p> <ul style="list-style-type: none"> • the financial responsibilities of the board of directors are being properly discharged • resources are being managed in an efficient, economical and effective manner • sound systems of internal financial control are being maintained • financial considerations are fully taken into account in reaching decisions <p>Internal Audit will undertake a termly programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the board of directors. A report of the findings from each visit will be presented to the Resources Committee.</p> |
| <p>2.9</p> | <p>Other Staff</p> <p>Other members of staff, primarily the Trust Finance Manager, finance manager, finance officer, finance assistant and budget holders, will have some financial responsibilities and these are</p> |

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| | <p>detailed in the following sections of this manual. All staff are responsible for the security of school property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the school’s financial procedures.</p> |
| <p>2.10</p> | <p>Register of Business Interests</p> <p>It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all school directors, governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the school may purchase goods or services. The register is open to public inspection.</p> <p>The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the school. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person.</p> <p>The existence of a register of business interests does not, of course, detract from the duties of directors, governors and staff to declare interests whenever they are relevant to matters being discussed by the board of directors or a committee. Where an interest has been declared, directors, governors and staff should withdraw from that part of any committee or other meeting.</p> <p>The Trust finance manager maintains a register of business interest for school staff with financial responsibilities, and the clerk to the directors maintains a register of business interest of all directors.</p> <p>The Trusts must be even-handed in its relationship with related parties by ensuring that:</p> <ul style="list-style-type: none"> • Trustees comply with their statutory duties as company directors to avoid conflicts of interest, not accept benefits from third parties, and to declare interests in proposed transactions or arrangements • All members, trustees, local governors within the trust and senior employees have completed the register of interests. • No member, trustee, local governor, employee or related individual or organisation uses their connection to the trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the Trust • There are no payments to any member of the trustee by the Trust unless permitted by the articles, or by authority of the Charity Commission, and comply with any relevant agreement with the Secretary of State. Trusts will need to consider these obligations where payments are made to other business entities who employ the trustee, are owned by the trustee, or in which the trustee holds a controlling interest. • The Charity Commission’s approval is obtained where the trust believes a significant advantage exists in paying a trustee for acting as a trustee. • Any payment provided to the persons referred to in 219 satisfies the ‘at cost’ requirement in this policy |
| <p>2.11</p> | <p>Trading with connected parties – “at cost” requirement</p> <p>A school must pay no more than “cost” for goods or services provided to it by any connected party with a value exceeding £2,500 cumulatively, in any one financial year as outlined in the Academies Financial Handbook 2020 sections 5.48-5.58. Where a contract takes the school’s cumulative annual total with the connected party beyond £2,500, the element above £2,500 must be at no more than cost.</p> |

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| | <p>The board of trustees must ensure requirements for managing related party transactions are applied across the trust. The chair of the board and the accounting officer must ensure their capacity to control and influence does not conflict with these requirements. they must manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life</p> <p>The Trust must recognise that some relationships with related parties may attract greater public scrutiny, such as:</p> <ul style="list-style-type: none"> • Transactions with individuals in a position of control and influence, including the chair of the board and the accounting officer • Payments to organisation with a profit motive, as opposed to those in the public or voluntary sectors • Relationships with external auditors beyond their duty to deliver a satisfactory audit <p>The Academy must report all transactions with related parties that take place on or after 1 April 2019 to the ESFA in advance of the transaction taking place</p> <p>The academy must gain prior approval from the ESFA for contracts for the supply of goods or services to the trust by a related party agreed on or after 1 April 2019 where any of the following limits arise:</p> <ul style="list-style-type: none"> • A contract exceeding £20,000 • A contract of any value that would take the total value of contracts with the related party beyond £20,000 in the same financial year ending 31 August • A contract of any value if there have been contracts exceeding £20,000 individually or cumulatively with the related party in the same financial year ending 31 August <p>Clarify that the above transaction with related parties don't include salaries or other payments made by the trust to a person under a contract of employment through the trusts payroll</p> |
| <p>2.12</p> | <p>Freedom of Information</p> <p>The school is aware of the requirements placed upon the establishment and has drawn up a policy to reflect this.</p> |
| <p>2.13</p> | <p>Whistle Blowing</p> <p>The school expects the highest standards of conduct from all employees and will treat seriously any concern that an employee may have about illegal or improper conduct.</p> <p>Employees will be expected, through agreed procedures and without fear of recrimination, to bring to the attention of the Head Teacher / Principal any serious impropriety or breach of procedure.</p> <p>Employees who do not follow the steps identified in the Whistleblowing Policy or other agreed internal procedures, and take their concern to other outside the sources (e.g. the press) may be subject to a formal disciplinary investigation.</p> |
| <p>3.</p> | <p>INTERNAL FINANCIAL CONTROL</p> |
| <p>3.1</p> | <p>Separation of Duties</p> <p>The Trust maintains this detailed procedures manual that reflects the day to day management of financial administration. As far as possible, the allocation of duties has been made to ensure that the same person is not responsible for a process from start to finish in order to reduce the risk of error or intentional manipulation.</p> |

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| 3.2 | <p>Approved Signatories</p> <p>Authorisation of an action, transaction, etc is a key internal control. Staff are expected to exercise authority only where they have been delegated the power to do so. In any event, authorisation should be clearly recorded by the individual's signature and printed name. The finance office will maintain specimen signature schedules.</p> <p>All orders and invoices are authorised for payment by the delegated budget holder. Details of all budget holders are held within the accounting system and the Trust Finance Manager holds a separate list detailing the name of the budget holder, their signature and any restrictions to their signing limits.</p> |
| 3.3 | <p>Maintenance of Complete and Permanent Records</p> <p>The Trust ensures that complete financial records are maintained at all times so that transactions are traceable from the original documentation to the accounting records and vice versa. Where amendments are required, the person making the change initials the alteration. All manual records are completed in ink and correction fluid is not used. All records are authorised or approved independently from the person completing them. Records are retained for seven years.</p> |
| 4. | <p>ACCOUNTING SYSTEM – to be updated in Sept21 to reflect workings of new FMS - PSF</p> |
| 4.1 | <p>All the financial transactions of the school must be recorded on the school financial system</p> |
| 4.2 | <p>System Access</p> <p>Entry to the accounting system is password restricted and the Trust Finance Manager is responsible for ensuring regular password changes are implemented.</p> <p>Access to the component parts of the accounting system can also be restricted, the Trust Finance Manager is responsible for setting access levels for all members of staff using the system.</p> |
| 4.3 | <p>Back-up Procedures</p> <p>The IT Manager is responsible for ensuring that there are effective back up procedures for the system. The accounting system is backed up daily with the Sims data. This is done in accordance with the School's Business Continuity Policy.</p> <p>The COO should also prepare a critical incident recovery plan in the event of loss of accounting facilities or financial data. This should link in with the business risk register which is the annual assessment made by directors of the major risks to which the school is exposed and the systems that have been put in place to mitigate those risks.</p> |
| 4.4 | <p>Transaction Processing</p> <p>All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual.</p> <p>Bank transactions should be input by the finance team and the reconciliation of the bank to accounting system complete by either the Trust finance manager or finance officer, this reconciliation is checked and signed to evidence this check, by the Trust Financial Manager or COO.</p> <p>Detailed information on the operation of the school financial system can be found with the trust finance manager.</p> |
| 4.5 | <p>Accounting Routines</p> <p>The month end routine is undertaken by the finance manager and reviewed by the Trust Finance Manager. In order for relevant budget monitoring information to be produced, the schools accounting package must be up to date. The school has set a month end routine to ensure that the accounts are up to date prior to the budget monitoring reports being produced.</p> <p>This includes:</p> |

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| | <ul style="list-style-type: none"> • all posting onto the accounting package are brought up to date • bank reconciliations on all accounts are performed • control accounts are review and cleared • budget monitoring reports are printed and monitored • VAT returns are submitted to HMRC • other journals and transactions are posted. |
| 4.6 | <p>Coding Structure</p> <p>The school has set up its coding structure in accordance with the guidance issued by DfE and in order to provide clear records for management reporting purposes.</p> |
| 4.7 | <p>Year-End</p> <p>The year-end routine is undertaken by the finance team. At the end of each finance year it is important not to “close down” until all accruals and prepayments have been identified and processed and all reconciliations and control accounts have been performed. (See appendix 1)</p> <p>At the end of the financial year the accounts system must be closed down and the accounts opened for the next financial year.</p> <p>Once the accounts have been audited and passed, the year can be closed. No further transactions can be posted in that year.</p> |
| 4.8 | <p>Reconciliations</p> <p>The Trust finance manager is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:</p> <ul style="list-style-type: none"> • debtor control account • purchase ledger control account • payroll control account • VAT control account • all suspense accounts • bank balance per the nominal ledger to the bank statement • system reconciliation <p>Any unusual or long outstanding reconciling items must be brought to the attention of the business manager.</p> |
| 5. | <p>FINANCIAL MONITORING</p> |
| 5.1 | <p>Monitoring and Review</p> <p>Following month end procedures, monthly reports are prepared by the finance manager. The reports detail accurate income and expenditure against budget.</p> <p>A number of budget monitoring reports are extracted from the accounting system for the various budget holders and distributed promptly, (the below list is not exhaustive):</p> <ul style="list-style-type: none"> • all academic departments • training • R&M • IT • head’s management fund <p>All reports extracted are initially reviewed and where appropriate annotated by the trust finance manager.</p> |

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| | <p>The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. Only material budget changes will result in virements being processed. All virements will be approved by the Resources Committee before processing.</p> <p>Any potential overspend against the budget must in the first instance be discussed with the Executive Head Teacher and Head Teacher / Principal. Monthly monitoring reports are reviewed by each Head teacher and any potential budget overspends scrutinised in detail.</p> |
| 5.2 | <p>Departmental Budget Holders</p> <p>Budget managers are accountable for the items of expenditure and income they directly control. It is the responsibility of the budget holder to ensure that their budget is being spent in the most beneficial way for their department. They must ensure they are receiving value for money for every purchase.</p> <p>Each budget holder is provided with a monthly summary of the budget giving:</p> <ul style="list-style-type: none"> • total spend • outstanding commitments (i.e. orders placed but invoice not yet received/paid) • budget • balance left <p>The budget holder is required to examine the reports to ensure that the transactions are as expected and that the report represents an accurate statement of the budget position. Where there are any queries the budget holder is required to contact the finance manager to establish the reason and action required, if appropriate.</p> <p>At any stage, if concerns arise over the spending pattern of a particular cost centre it is raised in the first instance by the finance manager with the budget holder. The explanations obtained are relayed by the finance manager to the Head Teacher / Principal who decides on the appropriate action.</p> |
| 5.3 | <p>Head Teacher / Principal</p> <p>Each Head Teacher / Principal is provided with a detailed summary of their whole school income and expenditure, giving;</p> <ul style="list-style-type: none"> • actual income / expenditure • budgeted income / expenditure • variance of actual to budget • explanation of variances • whole year budget “fixed” • whole year budget <p>This report is called a “Monthly Monitoring Report”. In addition a monthly summary of the budgetary position of all budget holders is also given.</p> <p>These reports are discussed in detail with the Executive Head Teacher, COO and the Trust finance manager. The report will also show where income is earmarked for specific purposes and, therefore, not generally available to meet any other expenses.</p> |
| 5.4 | <p>Resources Committee / STAGS Finance Premises and Operations Committee</p> <p>On a monthly basis, the members of the Resources Committee are provided with the same monthly monitoring report. In addition the Trust Finance Manager prepares a consolidated Trust monthly monitoring report, which includes a Trust Balance Sheet and Trust Cash Flow report.</p> |

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| | <p>The committee' are also provided with the following returns</p> <ul style="list-style-type: none"> • budget return • annual accounts return • 3 & 5 year forecast • budget forecast return • benchmarking • Gender Pay Gap review |
| 6. | FINANCIAL PLANNING |
| 6.1 | <p>The Trust prepares both medium term and short-term financial plans.</p> <p>The medium term financial plan is prepared as part of the development planning process. The development plan indicates how the School's educational and other objectives are going to be achieved within the expected level of resources over the next three years.</p> <p>Each individual School Improvement Plan (SIP) for the school's within the Trust provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources for the following year.</p> <p>The SIP planning process and the budgetary process are described in more detail below.</p> |
| 6.2 | <p>School Improvement Plan</p> <p>The SIP is concerned with the future aims and objectives of each School and how they are to be achieved; that includes matching the School's objectives and targets to the resources expected to be available. Plans are kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.</p> <p>The form and content of the SIP are matters for the School to decide but due regard should be given to the matters included within the guidance to Schools and any annual guidance issued by the DfE.</p> <p>Each year the Head Teacher / Principal will propose a planning cycle and timetable to the Executive Head Teacher and board of directors which allows for:</p> <ul style="list-style-type: none"> • a review of past activities, aims and objectives - "did we get it right?" • definition or redefinition of aims and objectives – "are the aims still relevant?" • development of the plan and associated budgets – "how do we go forward?" • implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course" • feedback into the next planning cycle – "what worked successfully and how can we improve?" <p>The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Head Teacher / Principal.</p> <p>The completed SIP will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.</p> <p>For each objective the lead responsibility for ensuring progress is made towards the objective will</p> |

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| | <p>be assigned. The responsible manager should monitor performance against the defined success criteria throughout the year and report to the Leadership Team on a regular basis. The Leadership Team will report to the board of directors if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.</p> |
| 6.3 | <p>Annual Budget</p> <p>The COO is responsible for preparing and obtaining approval for the annual budget. The budget must be reviewed in detail by the Resources Committee. The budget must be approved by the full Board of directors.</p> <p>The approved budget must be submitted to the DfE by 31 July each year and the COO is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.</p> <p>The annual budget will reflect the best estimate of the resources available to the School for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.</p> <p>The budgetary planning process will incorporate the following elements:</p> <ul style="list-style-type: none"> • forecasts of the likely number of pupils to estimate the amount of DfE grant receivable • review of other income sources available to the School to assess likely level of receipts • review of past performance against budgets to promote an understanding of the School cost base • identification of potential efficiency savings • review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes. |
| 6.4 | <p>Balancing the Budget</p> <p>Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.</p> |
| 6.5 | <p>Finalising the Budget</p> <p>Once the different options and scenarios have been considered, a draft budget should be prepared by the COO for approval by the Head Teacher / Principal, the Resources Committee, and the Board of Directors. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.</p> <p>The budget should be seen as a working document which may need revising throughout the year as circumstances change.</p> |
| 6.6 | <p>Profiling the Annual Budget</p> <p>Once the budget has been approved and loaded onto the accounting system, it is profiled by the Finance Manager in accordance with known spending / income patterns.</p> |
| 6.7 | <p>Benchmarking</p> <p>The School recognises the benefits in using benchmarking information to learn from others in implementing changes to spending patterns to help deliver educational priorities.</p> <p>As part of the annual budget setting exercise, the School review benchmarking data. The extent and depth of review depends on what the data reveals compared to previous reviews and the School's current circumstances. The most significant areas of spending i.e. staffing costs, are</p> |

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| | <p>reviewed more frequently than others.</p> <p>In order to obtain comparative data, the School uses a number of sources. The information is used to determine how the school compares with other similar establishments and forms the basis against which the setting of the current budget is challenged.</p> <p>The results of the benchmarking are pulled together by the COO and presented to the Resources Committee for discussion. Where the results of the exercise alter the basis for setting the budget, this is notified to the full Board of Directors at the time of approval.</p> |
| 7. | PAYROLL |
| 7.1 | The Academy's payroll is outsourced to EPM and is administered according to the Payroll Administration Policy which is reviewed formally every three years but which may be updated more regularly as required. |
| 8. | PURCHASING |
| 8.1 | <p>The School wants to achieve the best value for money from all purchases. This means they want to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:</p> <ul style="list-style-type: none"> • Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the school; • Accountability, the School is publicly accountable for its expenditure and the conduct of its affairs; • Fairness, that all those dealt with by the School are dealt with on a fair and equitable basis. |
| 8.2 | <p>Routine Purchasing</p> <p>As a general principal Trust procedures for purchasing should ensure that purchases are as required and are for bone-fide purposes and value for money is obtained in respect of all goods and services.</p> <p>Budget holders will be informed of the budget available to them at least one month before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A cost centre print detailing actual, committed and remaining budget will be supplied to each budget holder on a monthly basis and budget holder are encouraged to keep their own record of orders placed.</p> <p>Budget holders will be responsible for making the request for the purchase of goods or services from their own budgets. This will be done by means of an internal purchase order form (appendix 2) that has been signed by the budget holder and will be sent to the finance office. A quote or price must always be obtained before any order is placed.</p> <p>On receipt of the internal order form, the Finance Assistant or Finance Officer will determine that the appropriate budget has sufficient funds to meet the order. Where sufficient funds are identified, an official, sequentially numbered purchase order will be raised and sent to the supplier / contractor.</p> <p>Any urgent order that is placed verbally should be entered on the accounting system as soon as possible so that a purchase order can be set up to raise the financial commitment.</p> <p>Payments are, in certain circumstances, required to be made without first raising a purchase order, in this instance a cheque request form should be completed (appendix 3) and authorised by the budget holder before being submitted to the finance office.</p> |

Where payment is to be made to an individual in their own name and is for their time (services) rather than for goods a Self Employed declaration form must be completed to ensure compliance with requirements for PAYE (appendix 7). To comply with IR35 rules, the HMRC online employment status checker should also be used and the results printed out and kept on file, for any off-payroll working arrangement.

The budget holder must make appropriate arrangements for the delivery of goods to the School. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note and make a record of any discrepancies between the goods delivered and the goods received note. Discrepancies should be discussed without delay with the Finance Officer or Finance Assistant who will then liaise with the supplier.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the finance office must be notified. The Finance Assistant or Finance Officer will keep a record of all goods returned to suppliers.

All invoices should be sent to the finance office. The Finance Officer will record invoices on the school financial system, matching up any signed delivery notes and orders. The following will be checked:

- invoice arithmetically correct
- goods as ordered
- prices correct

The finance officer will stamp invoices with a grid date stamp which the following can be evidenced:

- budget holder name
- cost centre to be charged
- budget holder signature
- cost centre & ledger code charged
- period of posting
- date posted to purchase ledger
- finance initials

Invoices are then sent to the budget holder for authorisation and checking goods have been received as invoiced, these checks must be undertaken without undue delay.

When the invoice has been returned authorised, the invoice will be approved on the finance system.

Once a week the finance officer will prepare a payment run to suppliers either by BACs (see appendix 6) or cheque for the invoices that are due for payment. The cheque / BACs with associated paperwork must be authorised in accordance with the bank mandates. The Finance Officer will dispatch the cheques / remittance advises to the suppliers.

For orders in respect of the supply of goods and services the procedures as prescribed in the Schedule of Financial Delegation shall be adopted unless the Executive Head Teacher / Head Teacher / Principal or COO is satisfied that it would not be practicable to do so (in which case a record of each waiver to this instruction must be authorised by the Chair of Directors or Chair of the Resources Committee and retained on file).

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| | <p>With regards to specialist or complex procurement activity the School may appoint a professional third party (eg surveyor, architect) who will carry out the tender process on the Schools behalf.</p> <p>Ordering over the internet is limited to items that cannot be purchased through the normal procurement process. Ordering over the internet may only be carried out with the prior authorisation of the COO, Head Teacher / Principal. This type of order usually requires payment at the time that the order is placed / prior to the goods being delivered. To facilitate these purchases, the Trust holds business charge cards (refer to the Business Charge Cards Policy).</p> <p>Trust orders should not be used to obtain goods and services for individuals or other organisations associated with the school.</p> <p>All outstanding orders are shown on the budget monitoring report as commitments. In order to ensure the level of commitments is still appropriate, an “outstanding order” report is extracted from the accounting system, the Finance Assistant reviews the appropriateness on a regular basis. Each budget holder is contacted and asked to ensure that the items reflected are still expected. The Finance Assistant clears all cancelled orders from the system.</p> |
| <p>8.3</p> | <p>Forms of Tenders</p> <p>There are three forms of tender procedure: open, restricted and negotiated. The circumstances in which each procedure should be used are described below.</p> <ul style="list-style-type: none"> • Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the COO how best to advertise for supplier’s e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds. • Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where: <ul style="list-style-type: none"> • there is a need to maintain a balance between the contract value and administrative costs • a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the School’s requirements • the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering • Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances: <ul style="list-style-type: none"> • the above methods have resulted in either no or unacceptable tenders, • only one or very few suppliers are available, • extreme urgency exists, • additional deliveries by the existing supplier are justified. |
| <p>8.4</p> | <p>Preparation for Tender</p> <p>Full consideration should be given to:</p> <ul style="list-style-type: none"> • objective of project • overall requirements • technical skills required |

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| | <ul style="list-style-type: none"> • after sales service requirements • form of contract <p>It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.</p> |
| 8.5 | <p>Invitation to Tender</p> <p>If a restricted tender is to be used, then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.</p> <p>An invitation to tender should include the following:</p> <ul style="list-style-type: none"> • introduction / background to the project • scope and objectives of the project • technical requirements • implementation of the project • terms and conditions of tender • form of response. <p>Aspects to Consider:</p> <p>Financial</p> <ul style="list-style-type: none"> • Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision • Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs • Is there scope for negotiation? <p>Technical/Suitability</p> <ul style="list-style-type: none"> • Qualifications of the contractor • Relevant experience of the contractor • Descriptions of technical and service facilities • Certificates of quality / conformity with standards • Quality control procedures • Details of previous sales and references from past customers <p>Other Considerations</p> <ul style="list-style-type: none"> • Pre sales demonstrations • After sales service • Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc. |
| 8.6 | <p>Tender Acceptance Procedures</p> <p>The invitation to tender should state the date and time by which the completed tender document should be received by the Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not be accepted.</p> |
| 8.7 | <p>Tender Opening Procedures</p> <p>All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons from the following list the Executive Head Teacher, Head Teacher / Principal, COO, Chair of Directors, Chair of Resources Committee should be present for the opening</p> |

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| | <p>of tenders.</p> <p>A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.</p> |
| 8.8 | <p>Tendering Procedures</p> <p>The evaluation process should involve at least two appropriate people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.</p> <p>Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.</p> <p>Full records should be kept of all criteria used for evaluation.</p> <p>Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender.</p> <p>The accepted tender should be the one that is economically most advantageous to the School. All parties should then be informed of the decision.</p> |
| 8.9 | <p>Business Charge Cards (Multipay cards)</p> <p>The Finance Manager will be appointed to administer the signing in and out of cards kept at the Trust central finance office and will maintain a list of those staff members who are authorised signatories. Cards kept at Beech Hyde and Adeyfield are the responsibility of the named authorised persons on their respective cards.</p> <p>A direct debit will be set up between the bank and charge card provider to clear the monthly balance in full.</p> <p>All purchases made using the charge card must be authorised in the same way as any other purchase with an internal order being raised prior to the purchase being made. Purchase order numbers should be quoted on any charge card purchase.</p> <p>Purchase receipts will be returned from card users to the finance department as soon as is practically possible, who will reconcile receipts on a monthly basis against the statements and subsequently against the bank direct debit charge. When not on loan to staff members all purchase cards will be kept in the school safe.</p> <p>Persons nominated to be authorised card holders are:</p> <ul style="list-style-type: none"> • Head Teacher / Principal and/or Deputy Headteacher • COO • Trust Finance Manager • Business manager at Adeyfield <p>The Trust Finance Manager's charge card should be used in the first instance, the COO's card as a back up and the Head Teacher / Principal's card kept as a last resort.</p> <p>For further information please refer to the Business Charge Card Policy.</p> |
| 9. | INCOME |
| 9.1 | <p>The main sources of income for the Trust are the grants from the DfE. The receipt of these sums is monitored directly by the COO who is responsible for ensuring that all grants due to the School are</p> |

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| | <p>collected.</p> <p>The School also obtains income from:</p> <ul style="list-style-type: none"> • students, mainly for catering, trips and music tuition • the public, mainly for lettings, school events <p>The Directors have drawn up a Charging and Remissions Policy. This outlines the circumstances under which charges and voluntary contributions are requested and when the remission of fees will apply. The Directors have also set a Refunds Policy outlining the circumstances under which reimbursement will be considered.</p> <p>The rates that the Trust proposes to charge for lettings, individual music tuition (including remission for examination students) and school meals (including the value of the free pupil meal and an adult duty meal) are discussed with the Resources Committee on an annual basis and their approval recorded in the minutes of their meeting.</p> <p>The COO will ensure that calculations cover costs (including overheads) except where the Finance Committee agrees otherwise. The basis will be recorded.</p> <p>All appropriate charges are set out in a schedule of fees, rates and prices which is attached to the Charging and Remissions Policy. Charges may not be waived without the recorded authorisation of the Head Teacher / Principal, the COO, Trust Finance Manager and Premises Manager may discount or vary charges.</p> <p>All provision of services or supplies for which a payment is due will be recorded in the accounting system. Unless payment is received in advance or at the “point of sale”, then a debtor record will be created wherever a charge has been applied. Due regard must be given to ensure that VAT is accounted for appropriately. The Finance Manager is responsible for ensuring that invoices are issued.</p> <p>Income collections are not used for cashing of personal cheques or other payments.</p> |
| <p>9.2</p> | <p>Cashless Payments</p> <p>The Trust operates two online payment system between Schools called School Gateway (via Schoolcomms) and Wise Pay (via Cardnet). Parents / carers and staff can register online for access which allows users to pay for school activities, such as school meals, trips and music fees, online using a debit or credit card or by instant bank transfer.</p> <p>Gateway / Wise Pay holds the monies collected and regularly credits the relevant School bank account, a reconciliation report is available on Gateway / Wise Pay. The Finance Assistant is responsible for posting from the reconciliation report to the various cost centres.</p> <p>Refunds for items originally paid on Gateway / Wise Pay should be recorded on a Gateway / Wise Pay refund request form (appendix 4) and actioned on the School Gateway / Wise Pay against the individual student’s account.</p> |
| <p>9.3</p> | <p>Activities – Trips</p> <p>For other activities, voluntary contributions will be sought from the parents or guardians of those students attending. In certain circumstances, the cost of activities may be supported through specific fund raising activities.</p> |

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| | <p>A lead teacher / budget holder must be appointed for each activity to take responsibility and ensuring adequate funding. The budget holder must be aware of the School's trip procedures. The Finance Office will collect payments for activities and maintain an up to date record either on Gateway / Wise Pay or on a spreadsheet in the accounts shared area or google drive, showing the amount paid and the amount outstanding by each student.</p> <p>Where an activity makes an unexpected surplus the school will consider making a refund, in accordance with the Charing and Remissions Policy. All refunds will be made either by Gateway / Wise Pay (if this is how the payment was originally made) or by BACS in order to maintain a clear audit trail. Any refunds donated to the School will be transferred to the Educational Assistance Fund.</p> <p>Financial Support for students should be sought using the Hardship Application form (appendix 5) which is first approved by the Deputy Head Teacher / Principal Leading Student Personal Development and then by the Head Teacher / Principal.</p> |
| 9.4 | <p>Custody</p> <p>Official, pre-numbered school receipts should be issued for cash and cheques received when requested. All cash and cheques must be kept in the finance office safe prior to banking. Banking should take place every week or more frequently to ensure the sums collected do not exceed the insurance limit on the finance office safe.</p> <p>Monies collected must be banked in their entirety in the appropriate bank account. The Finance Assistant is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system.</p> |
| 9.5 | <p>Debt Management</p> <p>The Directors have drawn up a Debt Recovery Policy that outlines the steps to be taken when chasing debt due to the School. These procedures precede any potential decision to write the debt off.</p> |
| 10. | <p>CASH MANAGEMENT</p> |
| 10.1 | <p>Bank Accounts</p> <p>The opening of all accounts must be authorised by the Resources Committee who must agree the arrangements covering the operation of accounts, including cheque signing arrangements. The operation of systems such as BACS and other means of electronic transfer of funds must also be subject to the same level of control.</p> |
| 10.2 | <p>Deposits</p> <p>Particulars of any deposit must be entered on a paying in slip or listing in supporting documentation and should include the amount of deposit and a reference such as an invoice number or the name of the debtor.</p> <p>All deposits are banked weekly. A cash collection company is contracted to collect deposits during term time. Any deposits outside this are taken directly to the nearest bank by two of the following people, COO, Trust Finance Manager, Finance Manager, Finance Officer or Finance Assistant.</p> |
| 10.3 | <p>Payments and Withdrawals</p> <p>All cheques and other instruments authorising withdrawal from Trust bank accounts must bear the signatures of the following authorised signatures in accordance with the scheme of financial delegation:</p> <ul style="list-style-type: none"> • Head Teacher / Principal – sole signatory up to £999.99 • Deputy Head Teacher (one of two appointed at the school) – counter signatory with Head Teacher / Principal with any withdrawal over £1000 • Two Deputy Head Teachers together – up to £999.99 |

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| | <p>The Finance Manager is responsible for controlling cheques and or cheque book issue. When not in use, cheques are kept securely. Access is restricted to the following personnel: Trust Finance Manager, Finance Manager, Finance Officer and Finance Assistant. The Finance Manager is responsible for periodically checking the sequence of unused cheques to ensure that all unused cheques can be accounted for.</p> <p>This provision applies to all accounts operated by or on behalf of the Board of Directors of the School.</p> |
| 10.4 | <p>Bank Passwords</p> <p>The COO, Trust Finance Manager, Finance Manager and Finance Officer have been set up with password access to enable them to deal with queries arising with the bank.</p> |
| 10.5 | <p>Standing Orders and Direct Debits</p> <p>The Finance Manager maintains a schedule of all direct debits and standing orders set up on the schools account(s) showing:</p> <ul style="list-style-type: none"> • payee • reason for payment • amount • date set up • frequency / timing of payment <p>These are only set up after careful consideration regarding the risk of error and the schools ability to meet the on-going cost. Mandates are signed in accordance with the bank mandates. All direct debits and standing orders reflected on the bank statement are reconciled to the invoices received. The supporting documentation is filed with the paid invoices in a “direct debits” file.</p> |
| 10.6 | <p>Cashing Facility – Open Credit</p> <p>The school has made arrangements to enable the Finance Manager, Finance Officer and the Finance Assistant to withdraw cash from the school’s bank account(s).</p> |
| 10.7 | <p>Administration</p> <p>The finance manager must ensure bank statements are received regularly and that reconciliations are performed at least monthly. Reconciliation procedures must ensure that:</p> <ul style="list-style-type: none"> • all bank accounts are reconciled to the school’s financial accounting system • reconciliations are prepared by the Finance Manager or Finance Officer and reviewed by the Trust Finance Manager / COO • any discrepancies or adjustments are dealt with promptly |
| 10.8 | <p>Petty Cash</p> <p>The schools may maintain a petty cash float with a maximum cash balance of £500. Each school that retains a petty cash float must have a detailed procedure that has been approved by the Headteacher and COO. Where one is present the cash must be administered by a Finance Assistant and be kept in a locked box in the suitable location. Occasionally floats may be required for trips and activities and in these cases a larger balance will be built up in the petty cash float to allow for this.</p> <p>Expenditure paid through petty cash should not exceed £25.00 on any one claim, amounts over this are paid by cheque. Requests for amounts above this limit can only be authorised by the Head Teacher / Principal, or (in their absence) the COO.</p> <p>Petty Cash claims should be supported by receipts and should be pre-authorised by the budget holder or Head Teacher / Principal. Purchases made by the Head Teacher / Principal must be pre-authorised by the Executive Head Teacher. Purchase made by the Executive Head Teacher must be</p> |

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| | <p>pre-authorised by the Chair of Resources or Chair of Directors.</p> <p>The Finance Assistant is responsible for the prompt entry of transactions onto the accounting system. When cash in hand falls below £100 the float will be topped up by the Finance Assistant. Personal cheques will not be cashed from petty cash. The Finance Assistant will be responsible for the monthly reconciliation of petty cash. The Finance Manager will periodically check the petty cash reconciliation.</p> |
| 10.9 | <p>Cash Flow Forecasts</p> <p>The Trust Finance Manager is responsible for preparing cash flow forecasts to ensure that the Trust has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds. Similar plans should be made to re-profile annual spending plans to cover potential cash shortages.</p> <p>Generally, schools are not permitted to borrow money, unless they have Secretary of State approval.</p> |
| 10.10 | <p>Investments</p> <p>Investments must be made only in accordance with the Investment policy approved by the Board of directors.</p> <p>All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.</p> |
| 11. | <p>FIXED ASSETS</p> |
| 11.1 | <p>Asset Register</p> <p>The Directors have drawn up a Fixed Asset Policy which outlines items or collection of items over £2500 to be capitalised. The Trust Finance Manager is responsible for maintaining a register of fixed assets. Items over £100 and electronic items (e.g. camera, ipads etc) over £50 are to be placed on the inventory log. The Premises Manager/IT Manager is responsible for security tagging all inventory and recording this in the School Asset Management System.</p> <p>All items purchased with a value over the school's capitalisation limit must be entered in an asset register. The asset register should include the following information where appropriate:</p> <ul style="list-style-type: none"> • asset description • asset number / serial number • date of acquisition • asset cost • source of funding • expected useful economic life • depreciation* • current book value • location of asset <p>*Depreciation is as per Fixed Asset Policy</p> <p>The Asset Register helps:</p> <ul style="list-style-type: none"> • ensure that staff take responsibility for the safe custody of assets • enable independent checks on the safe custody of assets as a deterrent against theft or misuse |

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| | <ul style="list-style-type: none"> • to manage the effective utilisation of assets and to plan for their replacement • the external auditors to draw conclusions on the annual accounts and the school's financial system and • support insurance claims in the event of fire, theft, vandalism or other disasters. |
| 11.2 | <p>Security of Assets</p> <p>All the items in the register should be permanently and visibly marked as the schools property by and recorded in School Asset Management System. There should be a regular annual count by someone other than the person maintaining the register. Discrepancies between the register and the physical assets should be investigated promptly and where significant reported to the Board of Directors. Inventories of school property should be kept up to date and reviewed regularly.</p> |
| 11.3 | <p>Disposals</p> <p>Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head Teacher / Principal, and where significant should be sold following competitive tender. The school must seek approval of the DfE in writing if it proposes to dispose of an asset for which a capital grant in excess of £20,000 was paid. Reference should be made to the Disposal of Surplus Equipment Policy.</p> <p>Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the school obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the school would need to ensure licenses for software programmes have been legally transferred to the new owner.</p> <p>The school is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other school assets. If the sale proceeds are not reinvested then the school must repay to the DfE a proportion of the sale proceeds.</p> <p>All disposals of land must be agreed in advance with the Secretary of State.</p> |
| 11.4 | <p>Loan of Assets</p> <p>Items of school property must not be removed from school premises without the authority of the head of department or line manager. A record of the loan must be made.</p> <p>If assets are on loan for extended periods of time or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Asset loans should therefore be kept under review and any potential benefits discussed with the school's auditors.</p> |
| 12. | SECURITY |
| 12.1 | <p>All income due to the school is collected via the finance office. Records are maintained of the source of the income, the date received and is cross-referenced to banking. Each school must agree and record with the Trust Financial Manager how this will be achieved.</p> <p>Each school has a safe available with a cash limit of £6,000.00. The keys to the safe are held by the Head Teacher / Principal, Finance Manager and Finance Assistant or appropriate alternative. Keys are removed from the school site out of school hours. The safe must be located in an area accessed by a lock and key. Finance filing cabinets and cupboards are kept locked when the offices are unattended.</p> <p>School property is security tagged by the premises/IT manager and recorded in School Asset Management System. Valuable items are stored securely wherever practical. Staff are responsible for school property in their custody.</p> <p>Computer systems are all password restricted, and are backup daily and weekly.</p> |

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| | <p>All accounting records are retained securely to safeguard documents against loss, destruction or unauthorised alternation for seven years.</p> <p>Care is taken to dispose of documents, usually by corporate shredding.</p> |
| 13. | TRIPS / VISITS |
| 13.1 | <p>Each trip or visit a budget holder is assigned who will be responsible for ensuring adequate funding for the trip. The budget holder must be aware of the trip procedure and in conjunction with the Finance Manager is responsible for accounting for the finances of the trip and ensuring the trip end reconciliation is correct.</p> <p>After the initial agreement from each school's Head Teacher / Principal, all proposed activities must be formally costed. A letter to parents is prepared reflecting the proposed charge and / or voluntary contribution requested. Parental consent forms are also requested.</p> <p>All income is collected via the finance post box or online by School Gateway / Wise Pay. The Finance Assistant maintains computerised registers, that reflects the names of each student attending and the amounts paid.</p> <p>Financial support for families should be requested using the Hardship Application form (appendix 5) and will be issued on a case by case basis and depending on the number of applications received and the amount of funding available.</p> |
| 13.2 | <p>Residential trips</p> <p>The school is permitted to charge for the cost of board and lodging during residential school trips, even if they occur mainly during school time. This cost must not exceed the actual cost of the provision. However, the school cannot charge for the educational or travel elements but a voluntary contribution can be requested.</p> |
| 13.3 | <p>Accounting for Expenditure</p> <p>All expenditure incurred during an activity is recorded in the schools accounts system. A separate cost code is operated within the accounting system for every activity / visit.</p> |
| 13.4 | <p>Overall Financial Outcome</p> <p>Once an activity has been completed, a final reconciliation is undertaken by the Finance Manager or Finance Officer, between the income collected, the expenses incurred against the original costing sheet. This is reviewed and countersigned by the Head Teacher / Principal. Where the final outcome is significantly different from the original costing, the reason would be established and recorded.</p> |
| 13.5 | <p>Refunds</p> <p>When an activity makes a surplus, refunds will be issued by the Finance Assistant in accordance with the schools Charging and Remissions Policy. Any remaining balance is transferred to the Educational Assistance Fund and is used to support students on future activities.</p> |
| 14. | SCHOOL MEALS |
| 14.1 | <p>The school outsources their catering to outside contractors.</p> <p>The school is provided with an allocation for school meals within its annual budget that should be used towards free school meals. The price of the meal of the day and the cost of adult duty meal is reviewed annual by the Resources Committee.</p> |
| 14.2 | <p>Free School Meals</p> <p>Families in receipts of the certain benefits are entitled to free school meals, providing that they apply for them at www.hertsdirect.org/freeschoolmeals</p> |

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| | <p>The Trust is notified of eligible pupils through HCC Solero system. The Finance Assistant checks the Solero system daily to determine who is entitled to free school meals. Once a week the Finance Assistant will print out and file the reports locally from Solero. The Finance Assistant passes this information to the Data team who will update SIMS with this information.</p> |
| 14.3 | <p>Duty Meals Staff are entitled to a free school meal to the value of £2.68 providing they run a lunch time club or a lunch time duty as determined by the COO.</p> |
| 14.4 | <p>Official Functions On occasion, the school will request the provision of refreshments for meetings through the school kitchen. The cost of these are charged to the school on a monthly basis.</p> <p>All requests for catering must be notified and authorised by the budget holder, using the Catering Request form. The cost of these functions will be charged to the departmental budget specified.</p> |
| 15. | <p>MUSIC TUITION</p> |
| 15.1 | <p>Students are given the opportunity to have music lesson during school hours. Parents are asked to sign an agreement with each school that sets out the schools terms and conditions, and students and parents / guardians are expected to adhere to them.</p> <p>Once the agreement has been received the head of music is responsible for making arrangements for the provision of tuition.</p> <p>Students wishing to terminate tuition must give one full half term notice in writing.</p> <p>The school contracts with Herts Music Service for the provision of peripatetic music teachers, and is invoiced on a pay as you use basis termly in advance.</p> <p>A charge is permitted for instrumental music tuition undertaken in school hours. Rates are agreed annual by the Resources Committee.</p> <p>Invoices are raised directly through the school's finance system by the Finance Assistant or Finance Officer from registers prepared from information supplied by the head of music. Copies of all invoices are kept in a termly music file.</p> <p>Outstanding income is chased in accordance with the Debt Recovery Policy.</p> |
| 15.2 | <p>Remission of Music Fees Parents in receipt of certain benefits may apply to www.hertsdirect.org.uk for remission of fees. The school is notified who has been granted remission via HCC Solero system.</p> <p>Parents granted 100% remissions are expected to pay £20.00 per term, or £10.00 if tuition starts after half term. Parents granted Level Two support receive a 50% discount. Students in receipt of remission of fees may take lessons at a maximum length of 20 minutes, if 30 minutes is requested then the difference in cost is payable by the parent. These fees are invoiced directly by the LA.</p> <p>At the end of each term the Music Service requests confirmation that the students granted remission of fees have actually attended lessons for the duration specified. The form is signed by the COO and returned to the Music Service. The Finance Manager checks to ensure that the money refunded corresponds with what was expected.</p> |
| 16. | <p>LETTINGS</p> |

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| 16.1 | <p>Lettings/Hirings Policy</p> <p>Enquiries for the hire of the Academy premises are directed in the first instance to The Trust Lettings Manager. They are responsible for ensuring that at the start of each hire period the hirer is asked to complete a formal application form, setting out the facilities they wish to use, the time and the proposed dates. For on-going lettings, a new application form is required at the start of each financial year.</p> <p>Prior to the first session the Lettings Manager will ensure that the hirer holds their own public liability insurance with a minimum value of £5,000,000. A copy is retain on file. If the hirer does not hold this level of insurance, the hire may be covered by the schools insurance for a small fee of 10% of the session cost.</p> <p>The Lettings Managers maintains the bookings system which maintains a diary of all hiring’s and school use of the premises. This is annotated to reflect any issues that may arise e.g. failure to turn up, overran. The diary is referred to when raising any credit notes all bookings are paid for via the online bookings system and prior to the event being confirmed by the school. invoices are managed via the online booking system.</p> <p>Hiring rates are reviewed annual by the Resources, Audit and Risk Committee. For further information please refer to Charging & Remissions Policy.</p> |
| 16.2 | <p>Invoicing</p> <p>All invoices are raised directly through the Trust’s finance system by the Finance Officer, at the start of the term in which the hire is occurring. Outstanding income is chased in accordance with the Debt Recovery Policy.</p> |
| 16.3 | <p>VAT</p> <p>Hirings by clubs are exempt from VAT provided they meet the “series of sessions” rule, hirings to charities or individuals are also generally exempt from VAT. Businesses are required to pay VAT on hirings. Where it is not clear whether the hirer is a club, the HMRC VAT Notice 742 will be used to determine whether VAT is chargeable.</p> |
| 17. | <p>VAT</p> |
| 17.1 | <p>The Trust Finance Manager is responsible for the administration of VAT within the school’s accounting system.</p> <p>Vat returns are extracted from the accounting system on a quarterly basis and submitted quarterly to HMRC for reimbursement. All reimbursements are prepared by the Trust Finance Manager and reviewed and authorised by the Head Teacher / Principal.</p> <p>The Trust Finance Manager ensures that the school has been reimbursed for all VAT due.</p> <p>The Trust Finance Manager annually reviews the apportionment theory for claim on overheads.</p> |
| 17.2 | <p><u>Appendices</u></p> <ol style="list-style-type: none"> 1. Year End Plan 2. Purchase order form with guidance 3. Cheque request form 4. Gateway / Wise Pay refund request 5. Hardship application form 6. How to set up BACS in school financial system 7. Self Employed declaration form |

17.3**Related Policies**

- Schedule of Financial Delegation Policy
- Anti-Fraud and Corruption Policy
- Debt Recovery Policy
- Charging and Remissions Policy
- Business Charge Card Policy
- Payroll Administration Policy
- Expenses and Benefits Policy
- Fixed Asset Policy
- Disposal of Surplus Equipment
- Investment Policy
- Capital and Revenue Reserve Policy
- Business Continuity Policy
- Letting and Community Use Policy
- Risk Register
- Whistleblowing Policy
- Benchmarking
- Freedom of Information Act Policy
- Health & Attendance Policy.
- Gifts and Hospitality Policy
- Critical Incident Recovery Policy
- Academies: Accounts Direction issued by EFA
- Academies Financial Handbook, Statutory & Regulatory Guidance – issued by EFA