



**Wessex**  
Learning Trust  
We Learn Together!

# Finance Policy

**Date approved by Trust Board: January 2024**  
**Review Date: January 2025**

## **Wessex Learning Trust**

### **Finance Policy**

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This policy will be reviewed by the Board of Trustees annually.

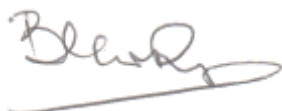
A handwritten signature in black ink that reads "Gavin Ball". The signature is written in a cursive style with a large initial 'G'.

Signature:

Name: Mr Gavin Ball

Position: Chief Executive

Date: 25/01/2024

A handwritten signature in black ink that reads "Brian Kirkup". The signature is written in a cursive style with a large initial 'B'.

Signature:

Name: Mr Brian Kirkup

Position: Chair of the Board

Date: 25/01/2024

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## **Section A - Overview**

### **1. Introduction**

This policy of the Wessex Learning Trust lays down a framework for the management of finance in the Trust and across the Academies within the Trust and incorporates the requirements of two key documents:

- **The Academies Financial Handbook**

The Education Funding Agency Financial Handbook offers advice on the financial systems and controls that Academies should have in place to meet the expected standards of accountability. Within this framework, the Wessex Learning Trust and the Academies within the Trust are responsible for their own financial management and are expected to operate a balanced budget.

- **Funding Agreement between the Wessex Learning Trust, the Academies and the Secretary of State for Education**

### **2. Terminology**

Where this policy refers to the 'Trust' it is synonymous with all Academies within the Trust.

### **3. Aims**

The Aims of the Finance Policy are:-

- To enhance the quality of students' learning through the efficient and effective management of the Trust's financial resources.
- To embody the principles of best value in securing services for the Trust.
- To state clearly the financial relationship between the Trust and the Funding Agency in respect of the management and monitoring of the Trust's budget.

### **4. Objectives**

The objectives of the Accounting Policy are:-

- To maintain a written statement of the Trust's aims and objectives for the management of its financial resources.
- To allocate responsibilities for financial management clearly and appropriately.
- To plan the budget(s) in accordance with the Trust's aims and objectives.
- To identify the necessary financial resources to support and facilitate priorities and targets within the Trust Improvement Plan
- To ensure that financial operations, procedures and controls are undertaken in accordance with the Funding Agency's Accounting Regulations and Funding Agreement.
- To monitor and review the use of financial resources on regular basis.
- To embody the principle of best value and to document agreed procedures for securing economic, efficient and effective quality of services for the Trust.

## **Section B – Organisation and Accountability**

### **1. Responsibilities of the Wessex Learning Trust**

A defining principle of the Trust is that there will be maximum financial delegation to Academies to enable each Academy to seek best value. However, the Trust reserves the right to remove this delegation if it believes that an Academy is unable to control its finances or needs significant assistance. Overall the Trust is responsible for:

- Ensuring that adequate financial procedures and controls exist to minimise the risk of loss, wastage or misappropriation and also to satisfy official requirements relating to VAT, Income Tax, NI, etc.
- Ensure a scheme of delegation is in place. The Trust may delegate powers to a Committee or to the Chief Executive.
- Register of Business Interests is reviewed annually to ensure it is up-to-date. A Director must withdraw from meetings where he or she has a financial interest in any matter under consideration.
- By 30 June each year, the Board must have formally approved the Trust's and the Academies Budgets, taking into account such things as current spending, priorities in the Trust Improvement Plan, future commitments, student numbers etc.
- Appointing an independent accountant to annually audit the Trust's company accounts.
- Submitting an annual statement with the budget which reflects the principles of Best Value.
- To review the salaries of those directly employed to work to the central element of the Trust such as the Chief Executive and DOO.

### **2. Responsibilities of the Chief Executive**

The Trust has delegated to the Chief Executive the following responsibilities:

- Leading and managing staff to secure improvement.
- The efficient and effective deployment of staff and resources.
- Ensuring all reasonable action is taken to minimise risks.
- Approving at least three signatories for the operation of the Trust's Bank Account.

### **3. Responsibilities of Local Governing Body**

The Academy Trust has delegated to the Local Governing Bodies the following responsibilities:

- The drafting and recommendation to the Trust of their annual budget.
- The monitoring of the budget, expenditure and income.
- Ensuring expenditure does not exceed the available budget without authority.
- Authorising virements exceeding £5,000, but less than £10,001.
- Authorising expenditure not covered by the heading in the original agreed budget, or a change in policy.
- To ensure that all procedures relating to the recruitment, selection and appointment of staff are in place and that they are kept under review.

### **4. Responsibilities of the Director of Operations**

The Trust has delegated to the Director of Operations (DOO) the following responsibilities:

- Notify the Education Funding Agency by Budget Forecast Return by the end of July each year of the final budget approved of Trust.

- Ensure the deadline is met for submission of audited accounts to the Education Funding Agency and Companies House by 31 December each year.
- Submitting a report to the Board at each meeting on the progress of the Trust's financial status.
- Responsibility for ensuring that VAT is treated correctly on all transactions.
- Ensuring that satisfactory insurance arrangements are in place to cover all liabilities.
- Ensuring that an up-to-date asset register for each Academy is maintained and checked at least annually, keeping a record of write-offs.

## **5. Responsibilities of Trust Finance Manager**

The Trust has delegated to the Finance Manager the following responsibilities:

- Carrying out work in line with the Education Funding Agency Financial Regulations.
- Reconciling the Trust's Bank Account at least on a weekly basis
- Reconciling salary payroll files to individual Academies on the first day of the month following the month of account, or as soon as files are released
- Ensuring that where staff are employed across a number of Academies that payroll is split to agreed proportions.
- Reconciling transactions between Payroll and the Academy's computerised system PS Financials.
- Preparing VAT return for HMRC on the first day of the month following the month of account.
- Preparing the accounts and information for the annual audit of the official funds by the accountants acting on behalf of the Trust.
- Preparing weekly BACS and cheque runs.

## **6. Responsibilities of Academy Business Managers/Finance Officers/Finance Assistants**

- Carrying out work in line with the Education Funding Agency Financial Regulations.
- Wherever possible, ensuring orders are processed for purchases; except for public utility services and items purchased through petty cash.
- Checking goods and services received against delivery notes, orders and invoices and ensuring the Academy is charged only for goods received.
- Preparing invoices for lettings and services supplied by individual Academies.
- Pursuing bad debts and recovering wherever possible.
- Process on-line payments using the Academy-approved credit card. Retain record of credit card transactions to reconcile against the monthly credit card statement.
- Ensure accurate recording of income and expenditure of official and unofficial funds; maintaining financial records and reconciling with bank statements.
- Preparing the accounts at end of financial year for external audit, as required.
- Maintaining an up-to-date asset register.
- Preparing reports for budget holders and monitoring curriculum spending against cost centres.
- Preparing weekly invoices and scanning them to the Trust's finance system, PS Financials, and sending weekly creditor lists to the Trust Finance Manager for inclusion in the BACS payment.

## **Section C – Internal Financial Controls**

### **1. Division of Duties**

The Trust's Accounting Policy recognises the essential importance of ensuring a clear division of duties and the involvement of more than one member of staff in the undertaking of financial tasks. This ensures that one person is not solely responsible for any given function and helps protect against possible error/fraud.

### **2. Reconciliation**

Each Academy Finance Officer/Business Manager is to verify their payroll commitment (Load File) submitting it to the payroll provider by the 10<sup>th</sup> of every month. Once compiled, each Academy Finance Officer/Business Manager must verify the prepared payroll file by the 18<sup>th</sup> of each month, notifying the Trust Finance Manager or the Director of Operations that this has been completed.

Each Academy Finance Officer/Business Manager must reconcile their additional bank accounts on a monthly basis. The designated individual from each Academy signs the bank reconciliation sheet certifying the bank balance/s agrees with PS Financials. Payroll transactions are verified, along with payments to be made for Third Party transactions and HMRC.

A VAT report is printed and balanced with the Balances and Reserves print, and VAT126 claim is submitted to HMRC. The VAT is verified and signed by the Director of Operations.

### **3. Authorised Signatories**

- A list of personnel authorised to place orders is to be held by each Academy.
- A list of budget holders is to be held by each Academy.
- Where budget holders are the same individuals as those authorised to place order, one list may be retained.
- The list of personnel authorised to sign bank transactions for the main bank account including cheques/BACS are:
  - Jane Hutton – Trust Director of Operations
  - Nicola Windridge – Trust Finance Manager
  - Michelle Buffham – Operations Manager, Kings Academy
  - Brian Kirkup – Chair of the Board
- A list of personnel authorised to sign bank transactions for individual Academy School Funds is to be held by each Academy.

### **4. Retention of Records**

Central documents (payroll, banking, HMRC, invoices etc.) are retained for HMRC purposes and archived annually by the Trust Finance Manager in accordance with financial regulations.

Academy documents (orders, delivery notes etc.) are retained for HMRC purposes and archived annually by Academy Finance Officers/Business Managers/Finance Assistants.



## **Section D – Budgeting/Financial Management and Planning**

### **1. Funding**

The majority of the funds received by the Academies are allocated by the Education Funding Agency as General Annual Grant (GAG), usually received in March. This allocation is calculated on the budget share delegated to the Local Authority together with the Education Support Grant Local. GAG funding is distributed monthly to academies. Additional allocations are made throughout the year including some mainstream grants and individually assigned resources via the Local Authority. The Academy also has the opportunity to raise additional funds (Income), for example via Lettings or PTA organised events.

### **2. Preparation of the Academy Budgets**

The priorities within the Trust Improvement Plan contain strategic direction which is to be used when planning Academy budgets together with information contained within individual Academy Improvement Plans. In all cases the driving force of an Academy budget is to strive for Best Value. Budgets are to be prepared by Headteachers, who are assisted by their Business Managers/Finance Officers. Academies should seek assistance from the Director of Operations who will issue guidance and information and templates to ensure consistency and easy comparisons. Academy budgets must be checked by the Director of Operations prior to being presented to Local Governing Body Finance and HR Committees. Once agreed the budget must be passed to the Trust for their endorsement.

Budgets produced are based on:

- Planned staffing levels for the coming year.
- Historical expenditure adjusted for inflation and any known changes.
- Curriculum budgets set on the basis of need.
- New initiatives that are known and included in the Academy Improvement Plan.
- Anticipated income, Mainstream grants and DFCG expenditure.
- Funding for rates.

If the budget allows, the Headteacher should include a % provision for general contingency which may be used for supporting any budget area where expenditure exceeds expectations.

Any budget surplus must be discussed with the Local Governing Body Finance and HR Committee to decide on the priorities within the Academy Improvement Plan for these monies to be spent.

If the budget being prepared is in deficit, the Headteacher needs to review the budget and present different options the Governing Body to meet the shortfall. A budget deficit must be agreed by the Trust.

Staff costs should not exceed the % of total income in a budget set by the Board of Trustees. Where they do, approval must be sought from the Trust and a plan submitted with the budget to show how and when staff costs will be reduced to this limit.

A three-year budget will be required in addition to the annual budget. The 3 year budget must show expected income and expenditure extrapolated over the period. The Director of Operations who will issue guidance and information and templates to ensure consistency and easy comparisons. Where staff costs exceed the % of total income in a budget set by the Board, the 3 year plan will need to clearly show that over the 3-year budget period that staff costs are reduced to the required %.

### **3. Budget Monitoring and Reporting**

Regular monitoring of income and expenditure against the agreed budget is central to effective financial management.

Academy Business Managers/Finance Officers are to produce regular budget monitoring reports/system printouts for income and expenditure for their Headteacher and Budget Holders. These include:

- the approved budget
- revised/current budget
- budget movements
- sums committed but not yet paid
- actual expenditure to date
- balances remaining
- percentage spent

Budget holders should receive and review their reports comparing the amount committed/spent against their budgets. Periodically, these reports should be reviewed by the Headteacher.

Individual Academies are to prepare budget monitoring reports and present them to their Finance and HR Committee, providing explanatory notes, details of budget movements and any remedial action taken/required or items requiring further discussion.

The Director of Operations will monitor expenditure on the initiatives set out in the Trust Improvement Plan and oversee the overall Trust position analysing monthly reports/printouts to identify any variances/unexpected expenditure and take any necessary action.

### **4. Virements/Budget Movements**

To allow some flexibility within the everyday running of an Academy, Headteachers are permitted to vire up to £5000 without further approval from their Governing Body. Local Governing Bodies may vire between £5001 and £10,000. Amounts above £10,000 must be approved by the Trust.

All virements are recorded on a virements form by the Finance Officer, then authorised by the appropriate individual (Headteacher, Chair of Local Governing body etc.) in advance of being actioned on PS Financials. A record of virements for the current year and two previous years must be kept.

### **5. Forward Financial Planning**

Headteachers are to review their Academy's student numbers in the Autumn and Spring Terms, looking ahead for the next three years to assess the effects on the Academy's estimated level of Funding.

During the budget setting process in the Spring Term, the Headteacher is to produce a detailed budget plan for the forthcoming year. The budget plan includes links to the Academy Improvement Plan, the Trust Improvement Plan and other priorities. The estimated levels of funding for future years are compared to the budget plans to identify any trends/concerns that can be brought to the Local Governing Body and Trust's attention.

## **Section E – Purchasing**

### **1. Orders**

Whenever possible, official orders are to be issued for work, goods or services, excluding supplies of public utility services and petty cash purchases.

The following procedure is to be followed:

- Three quotations are required for individual purchases or services exceeding £10,000 in value unless it is impracticable to do so.
- The Director of Operations is to be made aware of all individual purchases above £10,000.
- Trust approval is required for orders of an individual item exceeding £30,000. The Director of Operations can authorise over £30,000 (the Chief Executive must be informed) and over £60, 000 authorisation must come from the Trust Board.
- Three tenders are sought if an Academy enters into a contract for the supply of foods or services involving total annual payments of £10,000 or more. Records are kept of how and from whom tenders were sought, what tenders were received, who was successful and the reasons for not accepting each unsuccessful tender. Contracts are only entered into after ensuring Best Value has been obtained.
- All contracts must be approved and signed by the Director of Operations.
- When orders are placed, reasonable steps must be taken to ensure value for money, bearing in mind, price, discounts, quality delivery, guarantee, after sales service etc.
- Requisition forms must be completed for all orders of goods and services and authorised by the budget holder before an official order may be processed. Budget holders should ensure there are sufficient funds within their Budget. If unsure of the current balance the Academy Finance Officer/Business Manager / Finance Assistant is to be consulted.
- All commitments are entered on PS Financials by Academy the Finance Assistants/Finance Officers in the form of an official order once a decision has been taken to purchase goods or services.
- A copy of all orders is kept for a minimum of the current year plus preceding two financial years.
- Outstanding orders are reviewed on a termly basis and cancelled or followed up as necessary. If cancelled, a reason is written on the copy order for audit purposes.
- Orders may not be raised on behalf of, or for the benefit of, private individuals or organisations.
- Telephone orders are discouraged and only used in exceptional circumstances. If an order is placed in this way, written details are to be supplied immediately to the Academy Finance Officer to enable a confirmation order to be raised on PS Financials and sent to the supplier.

### **2. Order Authorisation**

Orders may only be placed with the authority of the budget holder. Limits on PS Financials have been set to ensure there is a division of duty. Limits are:

£100 or less	Individual Academy Finance Assistant
Between £101 and £10,000	Individual Academy nominated Level 2 authorisation personnel;
Between £10,001 and £30,000	Individual Academy nominated Level 3 authorisation personnel;
Over £30,000	As above and the Chief Executive is informed by email of the purchase.

### **3. Delivery Notes**

All delivery notes are to be checked by the Teacher, Teaching Assistant, responsible person or Finance Assistant/Officer to ensure that the goods listed have been "Received". Checks are evidenced in writing. The delivery note is then passed to the Finance Officer.

Academy asset registers are to be updated upon receipt of the delivery note.

Delivery notes are checked to the order and any discrepancies are followed up by the Finance Officer. When complete, the delivery note is to be attached to the order.

### **4. Payment of Invoices**

For non-order invoices, the authorisation of an invoice is to be the same as the authorisation on an order i.e:

£100 or less	Individual Academy Finance Assistant
Between £101 and £10,000	Individual Academy nominated Level 2 authorisation personnel;
Between £10,001 and £30,000	Individual Academy nominated Level 3 authorisation personnel;
Over £30,000	As above and the Chief Executive is informed by email of the purchase

Where goods are supplied by a supplier registered for VAT, a valid VAT invoice is to be obtained.

Each Academy Finance Officer/Business Manager must consider if payments to individuals, who supply goods or services Academy (e.g. tuition, lecture, performances etc.) should be paid through the Academy payroll. To assist in the decision process, the Finance Officer/Business Manager should refer to HMRC IR35 Off Payroll Working and complete the questionnaire to determine the outcome, in addition the individual receiving the payment must sign a Trust declaration confirming responsibility to declare all income to HMRC, the original forms are sent to the Academy head office.

Academy Finance Officers are to check the delivery note against the invoice, to ensure that the Academy is only charged for goods received. Payments are not to be made from statements or 'brought forward balances'. If payment is to be made on a copy invoice, as the original has been lost, checks are to be carried out to ensure it has not been paid. It must then be endorsed '**Copy, not previously paid**'.

When satisfied, the order and delivery note are to be attached to each other. The invoice is then to be signed as ready for payment and actioned on PS Financials.

Invoices are to be scanned to the Trust Finance system and a creditor list forwarded to the Trust Finance Team for payment either via BACS or cheque.

### **Supplier Bank Details**

Schools must request signed written confirmation of any change to suppliers bank details. A copy of the confirmation should be emailed to the Trust Central Finance Team and the original retained at the school. Only the Trust Central Finance Team are able to change bank details on the finance system.

## **Section F – Income**

The Trust Accounting Policy recognises that the following objectives must be obtained, namely that:

- all income including VAT due to the Academy is identified.
- all collections are received and banked promptly and completely.
- the accounting records and debtors' accounts are properly and promptly updated.

The Director of Operations has overall responsibility for the identification and prompt collection of all money due to the Trust and ensures that adequate division of duties exists between the collection, transfer of monies between staff, recording and banking of income.

### **1. Raising Invoices**

An invoice is sent to the customer for goods and services provided by an Academy. The Academy must therefore ensure that the invoice is appropriate i.e. sequentially numbered. Invoices for regular lettings may be raised half-termly. For one-off lettings, invoices will be raised within 14 working days of the event.

### **2. Collection and Banking of Income**

Academies are to make appropriate provisions for any and all income received from parents and students paid into the Academy. Income received must be recorded and where cash is taken a receipt is to be issued. All external income received is to be recorded on PS Financials.

Academy Finance Assistants/Finance Officers must safe guard all cash and cheques and arrange for this to be deposited to a bank on a regular basis, bearing in mind the safe holding limits, as per the Trust insurance policy held, which are to be strictly adhered to. Cash must not exceed the cash holding limit of £5000 in each safe unless agreed by the Director of Operations.

### **3. Recording and Reconciliation**

All income received is to be recorded against the appropriate bank account in PS Financials ensuring the correct VAT treatment is applied, and the authorisation slip is printed. Where appropriate, details of the transactions are entered on a virement (budget movement) sheet, authorised by the appropriate individual and allocated to the correct budget heading.

Reconciliation of income received at individual Academies is to be carried out on a monthly basis by the Academy Finance Officer, ensuring that all income banked has been received. All income records, e.g. record sheets, receipts, income authorisation slips, invoices, etc are to be kept for the current year plus the previous three years.

### **4. Debts Policy**

Bad debts will be pursued by Academy Finance staff and money recovered wherever possible. Where money is not recovered, a record is made within the individual Academy and reported to the Director of Operations on a termly basis. The overriding policy for write-offs comes from the Academies Financial Handbook published by the EFSA.

Amounts in excess of £1000 must be reported immediately to the Director of Operations who can recommend that the debt is written off.

The total amount of debt written off locally by an Academy in a financial year must not exceed 1% of the total annual income or £450,000 (whichever is smaller) per single transaction.

Subject to the paragraph above, debts due from a single debtor up to a total value of £1000 in any one financial year may be written off by the Director of Operations. Debts above this amount must be passed to the Trust (Finance & HR Committee).

The Academy Business Manager/Finance Officer will maintain a record of all debts written off showing what attempted recovery action was taken and the justification for non-recovery.

## **Section G – Banking Arrangements**

The Trust Accounting Policy recognises that the proper administration of bank accounts is a fundamental financial control. In particular, regular bank reconciliations are essential as they prove that the balances shown in the accounting records are correct and provide assurance that the underlying accounts are accurate. The internal controls documented in this section guard against potential error or fraud.

### **1. Bank Accounts**

The Trust has a main business account with Lloyds Bank.

In addition, each Academy is permitted to hold local accounts for the administration of their school funds or nursery finances.

Bank statements for the main Trust account are to be reviewed as a minimum weekly but where possible daily. Statements are to be downloaded from Lloyds Online Banking and reconciled by the Trust Finance Manager to the transactions held within the PS Financial system. Any discrepancies are to be investigated. This reconciliation is checked and certified correct by the Director of Operations on a monthly basis.

Each Academy has agreed three signatories, two to authorise BACS payments or sign cheques and a third to cover any absence. Three sample signatories of each authorised person have been sent to the bank. The list of authorised signatures should be reviewed whenever a signatory leaves the Academy. Blank cheques are never to be signed.

The accounts should not go overdrawn, as there is no overdraft facility allowed.

### **2. Cheques**

All cheques are to be kept secure in a locked cabinet within the Trust Finance Office, including spoiled cheques.

## **Section H – Petty Cash**

### **1. Petty Cash**

Petty cash is a small sum of money, less than £300/school that is held at an Academy site. When expenditure is incurred, it is charged against the Academy budget and the bank account is reimbursed.

Academy

Petty Cash is used for:

- Cash payments too small for an order to be acceptable
- An emergency purchase where immediate settlement is required
- Purchase of postage stamps
- To obtain greater discounts for settlement by cash/cheque
- To obtain goods/services from suppliers who do not accept official orders
- Legitimate educational expenditure financed by School Fund may be reimbursed to School Fund through petty cash enabling any VAT to be saved

Petty Cash is not used for:

- Making payments to individuals (e.g. theatre groups, authors, musicians, self-employed) who require cheques to be payable to them personally.
- Cashing Personal cheques
- Paying in income

The maximum amount that can be reimbursed by cash is £30.00. Any claims over this limit should be paid via bacs.

### **Exceptions to the Rule**

Staff are reimbursed if they purchase resources/specific items on behalf of the Academy upon production of a valid receipt.

## **Section I – Tax**

The Trust's Finance Manager is responsible for ensuring that the Trust complies with Value Added Tax (VAT) and other tax regulations and ensuring that all relevant finance and administrative staff are aware of them. Consultation with the detailed guidance provided by the accountants appointed to act for the Trust minimises the risk of misinterpretation.

Payments are *only* made on receipt of proper VAT invoices.

For official funds only, the Academy Trust is seen to be acting as the sole provider and this entitles the Academy to recover the VAT incurred.

In order to satisfy HMRC, the Trust provides direct to HMRC details of Input and Output VAT at the end of each month, to ensure no loss of cash flow and the accounting period is correct.



## **Section J – Inventories and Assets**

The Trust and the Academies within the Trust have many valuable items in use throughout the site. Some of these items are fixed, but many are portable and therefore may be vulnerable to theft. A properly maintained register is essential in supporting budget demands for replacements and for insurance purposes in the event of damage or loss.

### **1. Registers**

All items of equipment purchased and valued over £200 are to be recorded in a register giving full details of:

- Value
- Date Purchased
- Description
- Serial Numbers (where applicable)
- Useful life span
- Location

Business Managers/Finance Officers/Finance Assistants at each Academy are to maintain their register as and when items are purchased.

### **2. Security of Items**

All IT items in the register should be (where possible), permanently and visibly marked as the Academy's property. There should be an annual review of the register to ensure its completeness. Significant discrepancies should be investigated immediately and if significant reported to the Local Governing Body.

### **3. Disposals**

Items which are to be disposed of by sale or destruction must be authorised as detailed below:

Items with a net realisable value:

Of up to £1000 may be authorised for disposal by the Head Teacher.

Over £1000 up to £20,000 must be referred to the Academy's Finance Committee for approval and should be sold through competitive tender.

The Academy must seek approval in writing from the DfE if it proposes to dispose of an item for which a capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is discouraged, as it is difficult to evidence the School obtained value for money.

The Academy is expected to reinvest the proceeds from all item sales for which capital grant was paid in other Academy items. If the sale proceeds are not reinvested then the Academy must repay to the DfES a proportion of the sale proceeds.

Any disposals of land, owned by the school, must be agreed in advance with the Secretary of State.

#### **4. Loans**

Items belonging to the Academy must not be removed without the authority of the Headteacher. A record of the loan must be recorded and booked back to the Academy when it is returned. Details to be included are:

- Name of Borrower
- Item borrowed
- Date Borrowed
- Condition of Goods when removed
- Date Returned
- Condition of Goods when returned

#### **5. Tangible Fixed Assets**

All assets costing more than £5,000 are to be capitalised and are carried at cost. Assets acquired through Government or other private funding are to be included in the balance sheet at cost and depreciated over their expected useful economic life. Depreciation of assets is to be employed using a straight line method over five years unless otherwise advised by the Director of Operations.

#### **6. Key List**

The Key List is the responsibility of the Academy Headteacher although this may be delegated to an appropriate individual. The list must be kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security measures to be put in place and for the inventory to be reviewed.

## **Section K – Insurance**

The Trust Is insured for the following:

- Public Liability;
- Employer Liability;
- Travel Insurance, including School trips;
- Motor Insurance;

During periods of refurbishment or new builds it is essential that the insurance company is made aware of all alterations. Any loss of items covered by insurance are to be reported immediately to the insurance company. The Director of Operations is to be informed of all insurance claims.

## **Section L – Personnel/Payroll**

The Trust is aware of a number of areas where Inland Revenue regulations affect or determine the way payments are made. This is of particular importance relating to individuals who are self-employed offering services to the Academy. Payroll transactions are processed only through the payroll system and not through petty cash. **Controls must be in place to ensure appointments are cleared through the Disclosure Barring Service.**

The Trust has established procedures for the administration of personnel activities, including appointments, terminations and promotions. Information necessary to maintain records of service for Superannuation, National Insurance and Income Tax is kept secure for seven years, with only authorised staff allowed access to personal records, in order to comply with the Data Protection Act.

### **1. Payroll Forms (PRFs)**

The payment of all salaries, wages, pensions and other expenses are processed through various PRF forms and staffing reports available on SIMS.NET. These are completed by the relevant Finance Officer/Administration Officer in each Academy and authorised by the appropriate senior member of staff (for example the Headteacher) before being submitted to payroll by the appropriate deadline. Specimen signatures must be regularly updated and the Director of Operations kept aware of any changes. No employee can certify expenditure from which he or she might personally benefit.

Finance Officers must check monthly their staff payment details against the monthly tabs and reports for any anomalies.

### **2. Pay Policy**

The Trust follows a single Pay Policy across all its academies. This policy is available on our website and is updated annually.

### **3. Trustee and Governor Allowances**

The Education (Governors' Allowances) Regulations 2003 provide the legal framework for governing bodies to pay 'out of pocket' expenses to their governors and Trustees. Legitimate allowances include: travel allowances to meetings or training courses, cost of child-care while attending meetings or / training, cost of photocopying / printing papers for governing body/Trust business.

Governors and Trustees will not be paid an attendance allowance or for loss of earnings in the carrying out of their duties. However, the schools/Trust will reimburse mileage expenses to Governors and Trustees for journeys at a rate in accordance with the limitations set out by HM Revenue & Customs and in keeping with that paid to staff.

School Headteachers will be responsible for the approval of governors' expenses. Claims by Directors will be authorised by the DOO. In all cases receipts should be attached.

## **Section M – Unofficial/Voluntary Funds**

Unofficial funds generally consist of income generated by Trips and Visits involving payments made by parents to cover their child's participation and is managed with as much care and diligence as the delegated budget (official funds). These funds are used for any reason which benefits the children and the Academy. Each Academy will maintain their own unofficial fund account.

### **2. Cheques and Receipts**

Every cheque drawn is to be signed by a minimum of two persons as authorised by the Academy. Supporting documentary evidence for the cheque is to be retained.

Income is paid into the account as quickly as possible after being received and automated receipts are always issued.

## **Section N – Register of Business Interests**

It is vital that the Board, Governors and staff act, and are seen to act, impartially. Therefore, Directors, Governors and staff within all Academies should declare any links they have with companies or organisations from which the Academy may wish to buy goods or services. It is important for anyone involved in spending money to demonstrate that they do not benefit personally from decisions that they make.

The Academy Trust have defined a “business interest” as a situation where the person concerned, their family (immediate and other relatives) or close friends have a connection with a potential supplier, or where there is a business connection, i.e. common directorships/partnerships.

A Register of Business Interests for Directors, Governors and staff is to be held and maintained at each Academy and reviewed annually.

## **Section O – Retention of Documents**

Documentation, files and records are retained to act as a record and support for actions taken and to assist future reviews of policy. They are also retained to satisfy the requirements of Internal Audit, External Audit and HMRC. This section identifies the minimum period of time that records should be retained to satisfy all these requirements.

Financial Regulations require the retention of certain records for specified periods. If in doubt, a minimum of six years should be applied. Specific regulations are as follows.

<b>COMPUTER TABULATIONS</b>	3 years plus current year
<b>SIMS DATA</b>	3 years plus current year
<b>COPY ORDERS</b>	2 years plus current year
<b>DELIVERY NOTES, CREDITOR INVOICES, CREDIT AND DEBIT NOTES</b>	6 years plus current year
<b>RECEIPT BOOKS</b>	6 years plus current year
<b>PETTY CASH SPREADSHEET AND DOCKETS</b>	6 years plus current year
<b>BANK STATEMENT, CHEQUE BOOK STUBS (including analysed cheques)</b>	6 years plus current year
<b>CASH RECORDS AND TILL ROLLS</b>	6 years plus current year
<b>DEBTOR ACCOUNTS</b>	6 years plus current year (providing debt has been collected)
<b>INVENTORY RECORDS</b>	6 years plus current year
<b>TIMESHEETS</b>	6 years plus current year
<b>EMPLOYEES' RECORDS, PERSONNEL ACCIDENT REPORT</b>	7 years following cessation of contract
<b>TENDERS (schedule of limited/opened)</b>	6 years plus current year after settlement of final account
<b>TENDERS (schedule of price approvals, other correspondence)</b>	6 years plus current year after settlement of final account
<b>CONTRACT DOCUMENTATION, FINAL ACCOUNTS AND SUPPORT EVIDENCE</b>	6 years plus current year after settlement of final account
<b>OTHER SITE DOCUMENTS e.g. DIARIES</b>	1 years plus current year (providing sufficient documentation is held confirming exact dates of work etc.)

## **Section P – Charging Policy**

The Education Reform Act 1996 and The Education and Inspections Act 2006, together with the Guide to the Law for School Governors clarifies the activities for which charges can be made or voluntary contributions sought.

The Act gives Academies the discretion to charge for optional activities provided wholly or mainly out of Academy hours, and the right to invite voluntary contributions for the benefit of the Academy or in support of any activity organised by the Academy whether during or outside Academy hours.

Please see the Trust's 'Charging and Remissions Policy', published on our website, for more information.