



Three
Spires
TRUST

'Life in all its fullness'

Financial Regulations Policy

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This document sets out the financial regulations for Three Spires Trust.

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Introduction

- The purpose of this manual is to ensure that the academy trust maintains and develops systems of financial control, which conform with 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 Secretary of State for Education, through the Department for Education (DfE) and compliance with the principles of financial control outlined in the Academy Trust Handbook.
- This manual provides detailed information on the academy trust's accounting procedures and system manual and serves as a supplement to the scheme of delegation and levels of authority providing information on the day-to-day operations and practicalities forming from this financial regulation manual and should be read by all staff involved with our financial systems

Financial Planning

- The academy trust prepares rolling 3 to 5 year budgets.

The budget cycle

- The budget cycle is as follows:
 - Autumn term (Sept – Dec)
 - › Implementation of current budget plan
 - › Monitoring income and expenditure on a continuous monthly basis.
 - › Reconciliation and closure of previous financial year
 - › Autumn term budget forecast – Forecast 1
 - Spring term (Jan – Mar)
 - › Monitoring income and expenditure on a continuous monthly basis
 - › Reconciliation and confirmation of General Annual Grant (GAG) funding for the next academic year
 - › Spring term budget forecast – Forecast 2
 - › Monitoring and Reviewing of year's budget and forecast
 - › Pre-planning for the new financial year
 - Summer term (Apr – Aug)
 - › Monitoring income and expenditure on a continuous monthly basis
 - › Planning for new financial year and the forthcoming 5 year budget period
 - › Summer term budget forecast – Forecast 3
 - › Preparation and submission of financial budget plan
 - › Review of current year's budget and forecast

All requirements of the DfE, in particular relating to carry forward of unspent funds, will be taken into account in preparing and submitting the budget.

Budget

- The Trust **Chief Financial Officer (CFO)** is responsible for ensuring that all academy business managers follow the correct budget guidelines. The **Business Manager** is responsible for preparing and submitted the annual budget to the **CFO** for review. Once the budget has been reviewed by the **CFO** the figures will be presented by the Business Manager to the governing body to obtain approval for the annual budget at academy level. The budget must be approved by the Principal, and the governing body. Following this, the budget will be presented to the **Trust Finance and Operations Committee** by the **CFO** and any changes made, ahead of presentation by the **CFO** and final review by the **Trust Board**.
- The annual budget will reflect the best estimate of the resources available for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the budgeted utilisation of resources, the trust's objectives and individual academy improvement plans.
- The budgetary planning process will incorporate the following elements:
 - forecasts of the likely number of pupils to estimate the amount of General Annual Grant
 - latest estimate of other DFE funding e.g. pupil premium, or other specific funds
 - review of other income sources available to assess the likely level of receipts
 - review of past performance against budgets to promote an understanding of the academy cost
 - 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
 - all carry forward balances
 - any unspent grants from the previous financial year
 - any funds held in Trust
- 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 reductions 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 in accordance with the Development Plan.
- If there is a significant (over 10%) departure from the anticipated budget this will be escalated to the **Trust Finance and Operations Committee** as part of the monthly management accounts procedure.
- The approved budget is then entered onto the finance system at the start of the new financial year and is reported against, on a monthly basis

Other Government Funding

- In addition to GAG funding from DFE the trust may be awarded specific funding for other projects e.g. Condition Improvement Funds, Character Bid funding, Additional Special Educational Needs funding etc. This funding may be from the Department of Education or Local Authority. All government funding will be spent in accordance with the terms and conditions imposed, accurately recorded as government income (restricted) and audited externally annually.
- The **Chief Financial Officer (CFO)** is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Other Grants and specific funding

- In addition to the GAG funding from the DFE and other government funding, the trust may be awarded additional grants from time to time relating to specific projects e.g. Sport England Funding, Football Foundation Funding, Charitable Grants etc. All applications for additional external funding must be approved and supported by the Board of Governors/Trustees. All external funding and grants will be spent in accordance with the terms and conditions imposed, accurately recorded as income specific to a certain project (restricted) and audited externally annually, if required.
- The **CFO** is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

Funds held in Trust

- Where funds are held in trust the **CFO** is responsible for ensuring accurate recording of the income and expenditure, as well as ensuring the funds are recognised separately as set out in the memorandum and articles.

Virements

- Substantial virements shall be approved and minuted by the **Trust Finance and Operations Committee (F&O Committee)** and should be within the agreed criteria and financial limits.
- The **CFO** is given delegated power to vire from one budget to another and shall seek approval from the **F&O committee** retrospectively where the amount is up to £5,000.
- All virements exceeding £5,000 or 2% of the budget shall require prior approval from the **F&O committee** and the Trust Board.

Revised Budget

- Monitoring and analysis of the agreed budget should be carried out on a monthly basis by the **Accounting Officer** and **CFO** with reports, comprising management accounts, balance sheet and cashflow forwarded to the **F&O Committee** and Board of Governors/Trustees. Where significant variations (greater than 5% or £10,000, whichever is smaller) to the agreed budget are identified or where a number of substantial virements (over £5,000) have been approved

by the **F&O committee** and or where significant staff changes have occurred in-year, then a Revised Budget should be prepared and approved by the Board of Governors. This Revised Budget should then form the basis of analysis of all income and expenditure until the financial year end.

Budget Forecast Return

- The approved multi-year budget must be submitted to DFE by the **CFO** by the nominated deadline advised by DFE.. The **CFO** is responsible for establishing a timetable, which allows sufficient time for the approval process and ensures that the submission date is met.

Monitoring and review (including management accounts)

- Monthly reports are prepared by **CFO**. The reports include:
 - actual income and expenditure against budget (shown as month to date and cumulatively)
 - balance sheet
 - cash flow forecast
 - one page summary highlighting and explaining variances of at least 5% or £10,000 (whichever is smaller) and any unusual transactions.
- Any potential significant (at least 5% or £10,000, whichever is smaller) overspend against the budget must in the first instance be discussed with **the accounting officer with any corrective actions agreed**
- The monthly reports are sent to the accounting officer, **F&O committee, all Trustees** and the **Chair of the Trust** via the **CFO**.
- The **F&O committee** updates the Trustees at each Trust Board meeting to ensure Trustees are kept fully aware of their financial duties and the adequacy of the Trusts internal controls framework. The **F&O committee** ensures that the internal control framework includes both financial and non-financial controls and management of risks and that all findings are made available to Trustees promptly.

Independent checking procedures

The Trust Board is responsible for ensuring that the Trust has in place a risk policy that is reviewed annually. The **Accounting Officer** is responsible for ensuring that an up to date risk register is maintained at trust and individual academy level, and that these are reviewed at least bi-annually by Trustees. This ties in with the external audit and Annual Report and Financial Statements for trustee sign-off prior to submission to the DFE by 31st December each year.

- **Internal Audit**

The trust has appointed an external audit company to provide 'internal audit service' to ensure that the trust's financial planning process is robust. The trust must ensure that the service provided adheres to the principles stated in the academies trust handbook.

- The main purpose of an internal audit process is to provide the Board with assurance that:
 - The financial responsibilities of the Board are being properly discharged
 - Resources are being managed in an efficient, economical and effective manner
 - Sound systems of internal controls are being maintained
 - Financial considerations are fully taken into account in reaching decisions
 - Risk is being managed and mitigated
 - Annual returns are prepared in December each year
- The Audit and Risk Committee reports to the Trust Board on the internal control framework at each Trust Board meeting in a timely manner.
- Updates from the Audit and Risk Committee to the Trust Board include both financial and non-financial controls and management of risks.
- The internal scrutiny programme includes scope so that the Trust can focus on recommendations from third parties.
- An annual audit plan will be agreed by the **Audit and Risk Committee** and implemented under the direction of the **CFO** and **CEO (Accounting Officer)**.
- Other Policies to be read in conjunction with these Financial Regulations:
 - Accounting Policies
 - Anti-Fraud and Corruption Policy
 - Procurement Policy
 - Investment Policy
 - Reserves Policy
 - Risk Management Policy
 - Charging & Remissions Policy
 - Travel & Expenses Policy

Accounting officer

The **accounting officer** is the **CEO** who has personal responsibility for assuring the Trust board that there is compliance with the funding agreement and academy trust handbook.

- The essence of the role is:
 - Ensuring regularity – that public money is spent for the purposes intended by Parliament.
 - Ensuring propriety – that income and expenditure is dealt with in accordance with Parliamentary intensions.
 - Ensuring value for money – the economic, efficient and effective use of available resources.
 - Affordability and sustainability – respecting agreed budgets and avoiding unaffordable longer-term commitments, taking a proportionate view and managing sustainable growth.
 - Keeping proper financial records and accounts.
 - Managing opportunity and risk.

The **accounting officer** must advise the **Trust Board** in writing if, at any time, in their opinion:

- Any action or policy under consideration by the board or an academy is incompatible with the terms of the academy trust handbook or the funding agreement
- The board appears to be failing to act where required to do so by the terms and conditions of the academies trust handbook or the funding agreement.

If the board proceeds, contrary to the advice of the **accounting officer**, and the **accounting officer** believes that they are in breach of the academies trust handbook or the funding agreement, the accounting officer must advise the DFE's accounting officer immediately in writing.

Review of regularity

- The **CEO** (in their role as **Accounting Officer**) reviews the following documents termly to ensure that the academy trust is working within the boundaries of regularity and propriety:
 - reviews management accounts, balance sheet and cash flow
 - reviews compliance against the scheme of delegation
 - reviews transactions for evidence of related party transactions
 - value for money practice
- The **Accounting Officer** has delegated the following responsibilities to the **CFO**:
 - adherence to tendering policies, practice and legislation
 - review of transactions confirming in line with delegated authorities as set out by the Academy Trust Handbook
 - review of trustees/governors' minutes
- A checklist is completed for each review undertaken.

Annual accounts

- The trust must prepare annual audited financial statements for the accounting period to 31 August.
- The accounts must be prepared in accordance with the DFE accounts direction, academy trust handbook, financial reporting standards (FRS) and charity statement of reporting standards (SORP)
- The accounts are outsourced to our external auditors for preparation.
- The accounts are then submitted as follows:
 - by 31 December – to DFE
 - by 31 January – published on our own website
 - by 31 May – to Companies House

Value for money statement

- As part of the annual accounts the trust must include 3 focussed examples of value for money.
- The **CFO** is responsible for collating the examples which are then confirmed by the F&O committee.

Audit arrangements

- External auditors are appointed in accordance with the Academies Trust Handbook.
- The **CFO** is responsible for managing the audit process, by liaising with the auditors, arranging the timetable for accounts and audit completion and ensuring deadlines are met.

Work undertaken during accounting period

- The **CFO** is responsible for the following tasks to be undertaken during the year to facilitate a smooth audit process:
 - reviewing the structure of the trial balance
 - maintaining a fixed asset register
 - monthly depreciation charges
 - maintaining income and expenditure records (including filing of invoices)
 - reviewing aged debtors for any provisions required
 - maintaining a record of governors/trustees interests, related and connected party transactions
 - control account reconciliations (bank, wages, debtors, creditors)
 - maintaining a record of meeting attendance
 - monitoring & reporting to the **Accounting Officer** and **Board of governors/ trustees**

Work undertaken for the year end

- The **CFO** is responsible, in conjunction with academy business managers, for ensuring the following tasks are undertaken at the end of the year to facilitate a smooth audit process:
 - stock take and inclusion of year end stock value
 - prepayments for IT licenses
 - prepayments, deferred income and accrued income for grant income
 - accruals to ensure that all relevant costs have been included within the financial year
 - control account reconciliations (bank, wages, debtors, creditors)
 - close down of the purchase ledgers
 - close down of the sales ledgers and aged debtors
 - pension valuations
 - pension audit
 - depreciation calculations

Accounts Return

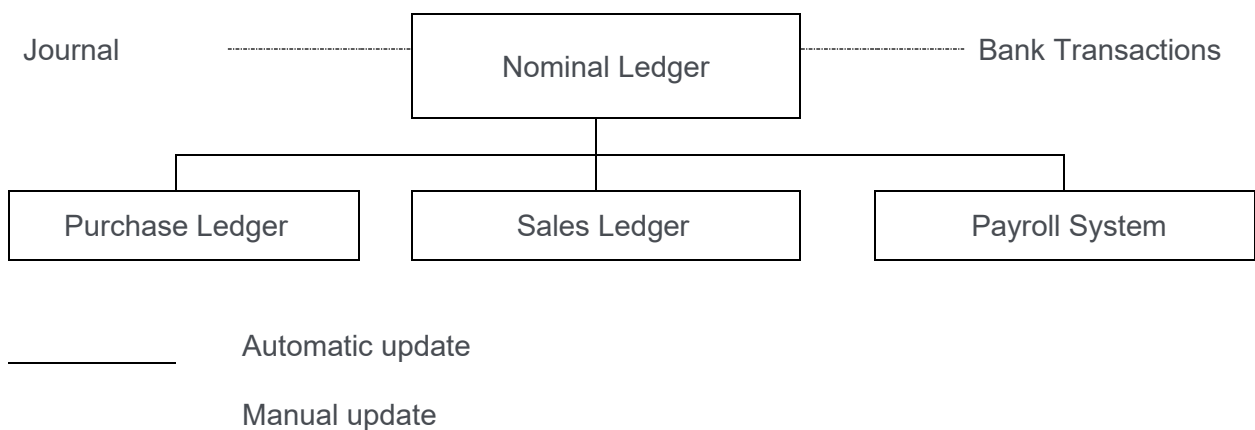
- The academy trust must prepare an annual accounts return (AAR) for the accounting period to 31 August, which is submitted to the DFE by 31 January.
- The accounts return is outsourced to our external auditors for preparation.

Document retention

- Documents are retained for the following amount of time:
 - Finance records – current year plus preceding 6 years
 - Supply cover insurance – current year plus preceding 6 years
 - Payroll and travel records – current year plus preceding 6 years
 - Personnel records – 5 years after an employee has left
 - All student files until the student reaches the age of 21

Accounting system

- All the financial transactions of the academy trust must be recorded into **Access Education Finance**, the computerised financial information accounting system. This system is operated by the Finance Department and consists of:



System Access

- Access to the system is password restricted by the **CFO**, and external parties as authorised by the **accounting officer**, such as an outside audit service and in line with the trust's IT security policy.
- Annual reviews are carried out to ensure that access rights and levels of access are still relevant to the responsibilities of individual users. Access for staff who are no longer employed by the trust is removed when the staff member leaves.

- The **CFO** is responsible for implementing a system which ensures that passwords are changed regularly.

Back-up Procedures

- The **CFO** is responsible for ensuring that academy **Business Managers** have effective back up procedures for the system. Data is backed up and is stored online in the cloud.
- A hard copy of the nominal ledger and audit trail are printed each month and stored separately from the accounting system.
- The business continuity plan explains what to do in the event of loss of accounting facilities or financial data.

Transaction processing

- All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual.
- All journal entries are input to the accounting system by the Business Manager, Trust Accountant or Senior Finance Officer and include as much information as possible to explain why the journal is required, with scanned schedules included where this provides further explanation as to why the journal is required. All journals are reviewed by the Trust Accountant at month end and spot checked by the CFO. All central journals are authorised by the **CFO** prior to being input to the accounting system.
- Bank transactions are input by **finance staff** and reviewed by the **CFO and Trust Accountant**.

Transaction reports

- The **Trust Accountant and Senior Finance Officer** review the following system reports to ensure that only regular transactions are posted to the accounting system:
 - the weekly audit trail reports;
 - transaction listing by ledger code report
 - masterfile amendment reports for the payroll, purchase ledger and sales ledger;
 - management accounts summarising expenditure and income against budget, and also at budget holder level

Reconciliations

- The **Trust Accountant and Senior Finance Officer** are responsible for ensuring that the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:
 - sales ledger 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
- The **CFO** signs all reconciliations as evidence of review.
- Any unusual or long outstanding reconciling items are brought to the attention of **CFO** and dealt with according to the bad debt limits in this manual.

Cash Management

Bank Accounts

- The following procedures must be followed when opening and operating a bank account:
 - the **Trust Board** is responsible for selecting the banking institution and negotiating the terms and conditions
 - the **Trust Board** must authorise the opening of all bank accounts
 - the **CFO** will ensure that in the event of changes to key personnel or governors/trustees, signatories will be changed immediately and the bank notified. Any on-line access to banking will also be removed
 - terms of arrangements, including cheque signatories or BACS authorisations and the operation of the accounts must be formally recorded and agreement minuted
 - the **Trust Board** must inform the bank, in writing, that their accounts must not become overdrawn
 - the **CFO** must ensure there are sufficient funds to cover large payments

Deposits

- A deposit must be entered on a copy paying-in slip or listed in a supporting file with the following details:
 - the amount of the deposit
 - a reference (for example the number of the receipt or the name of the debtor)

The Trust Senior Finance Officer updates the bank account transactions spreadsheet daily to reflect income and expenditure on the Trust bank statements and to ensure that transactions are reviewed by the academies and confirmed that they are as expected in a timely manner. The finance staff in the academies will then post the transaction onto the accounting system.

Payments and withdrawals

- All cheques and other instruments authorising withdrawal from the Trust bank accounts must bear the signatures of two of the following authorised signatories:
 - Chief Financial Officer
 - Chief Executive Officer
 - Chair of Trustees
 - Chair of Finance and Operations Committee

- Trust Accountant
- This provision applies to all accounts, public or private, operated by or on behalf of the Trust including funds held in trust. Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

Administration

- The **Trust Senior Finance Officer** ensures bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:
 - all bank accounts are reconciled to the trust cash book within Access Finance
 - reconciliations are prepared by the **Trust Senior Finance Officer or Trust Accountant**
 - reconciliations are subject to an independent monthly review carried out by the **CFO** or in his/her absence the **Director of Operations or Trust Accountant**.
 - adjustments arising are dealt with promptly

Petty Cash

From 1st September 2024 the trust does not operate a petty cash system.

All cash received in academies is promptly banked in full.

New Suppliers

When a new supplier is sourced by an academy, before an order can be placed, a new supplier account details form is completed by the **Business Manager** and sent over to **Trust Accountant** to be reviewed and signed off by the **CFO** (or **Accountant** in their absence). The form is then sent over to the **Trust Senior Finance Officer** so that the new supplier can be set up on Access Finance.

Orders cannot be placed before this process has taken place.

If a transaction has not been authorised by the appropriate **Business Manager** it should not be included on Access Finance or on the Trust BACS run.

Any change of supplier details will need to be checked by the **Business Manager** or their nominated person, and details sent over to the **Trust Senior Finance Officer** to amend on Access Finance.

E-procurement & Payments

- The Trust credit card is used only when it is not practical to use the purchase order/BACS system. It is used mostly for internet purchases and to buy refreshments for meetings etc.
- All transactions are charged to the appropriate academy accounts.

- The card is kept in the safe and is only used by:
 - **Business Manager**
 - **Finance Officer**
 - **Trust Senior Finance Officer**
 - **CFO**
 - **Trust Accountant**
 - **Director of Operations**
 - **Office Support Manager**
- Any department wishing to make a purchase on credit card must complete an order form and pass this to the **Business Manager** or **Finance Officer** to make the purchase. All order forms detailing the purchase must be signed by the **Budget Holder**.
- Occasionally the credit card is used to purchase small items, where it is not possible to order this elsewhere. This must be recorded and countersigned by the **Business Manager**.
- When the credit card bill arrives there will be a signed order form relating to each entry on the statement, a VAT invoice is required for all purchases and it is sometimes necessary to chase suppliers for this. A cash book journal is keyed for each entry on the statement within the accounting system.
- The credit card statement, along with all the relevant order forms are then given to the **Trust Senior Finance Officer** who will check and reconcile the statement. The **Trust Senior Finance Officer** will then check a sample of the transactions (minimum of 3 or 20% whichever is the maximum), and sign the statement. These are then filed away together in the credit card folder. Credit card statements are subject to spot checks by the **CFO** or **Trust Accountant**.

BACS Payments

- On receipt of an invoice, the **budget holder** approves the invoice either by email or physically signing the document, to signify:
 - an official purchase order has been raised for the purchase
 - the delivery note has been checked
 - the delivery is of correct quantity, quality and price
 - it has not been previously paid
 - funds are available in the relevant budget
 - VAT chargeability on qualifying expenditure is shown
- A BACS Payment spreadsheet is then prepared within Access Finance by the **Trust Senior Finance Officer**. The **Trust Senior Finance Officer** sends out a BACS run approval spreadsheet to **all business managers** for them to check that all transactions are as expected and that they have been correctly entered, once the **business managers** have confirmed to the **Trust Senior Finance Officer** that all transactions are correct. The **Trust Senior Finance Officer** submits the BACS payment authorisation schedule to the **CFO** for approval on Lloyds Commercial Banking, the schedule is signed by the **CFO** (in the **CFO's**

absence this is completed by the **Trust Accountant**) and returned to the **Trust Accountant** for filing

- Normally, BACS payments are processed within a month of receipt, although every effort is made to ensure the school benefits from any early payment discounts.
- Where payments are made to off-payroll individuals, the **Business Manager** ensures that evidence is kept of the employment status test criteria applied.. Where an individual has been assessed as self-employed, the **Business Manager** should request that the individual states their self-employment reference number on any invoice issued to the school.

Investments

- Investments are made in accordance with the Investment Policy agreed by the **Trust Board**.
- All investments are 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 a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.
- The investment policy will outline the process for confirming the valuation treatment of investments including revaluations where a gain / loss is taken to the income and expenditure account.
- Where the Trust bank account is changed it is the responsibility of the **CFO** to notify investment managers to ensure that dividends and / or investment income if paid to the correct bank account.

Reserves

- Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year.
- The **CEO** as **Accounting Officer** must inform the DFE immediately if a deficit is anticipated.
- If the academy trust is anticipating a deficit at the end of any financial year, the **Trust Board**, **F&O Committee**, and **CFO** have a responsibility to ensure action is taken at the earliest opportunity to address this issue. The **Trust Board** must ensure that a recovery plan is submitted and approved by the DFE.

Capital Reserves

- Any overall surpluses at the end of the year are carried over to the following year.
- It is the responsibility of the **CFO** to keep accurate records of the capital funds, especially where grants have been received for capital projects.

Borrowing

- The Trust must obtain DfE's prior approval for borrowing (including overdraft facilities) and finance leases on any asset not on the DfE approved list for any duration from another party, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, regardless of the interest rate chargeable. Credit cards must only be used for business expenditure, and balances cleared before interest accrues.
- The Trust will manage its cash position robustly to avoid becoming overdrawn on any of its bank accounts so that it does not breach restrictions on borrowing.

Payroll

Staff Appointments

- The Local Governing Body for each academy approves a personnel structure and hierarchy for each academy. Changes can only be made to this structure with the express approval in the first instance of the **Principal** who must ensure via discussions with the **Business Manager**, that adequate budgetary provision exists for any structural changes.
- The **Principal** has authority to appoint staff within the authorised structure except for the **Principal** and **SLT** whose appointments must follow consultation with the Trust.
- For academies, the **Business Manager** maintains personnel files for all members of staff which include signed contracts of employment. All personnel changes must be notified, in writing, to the **Business Manager** immediately.
- For academies, the **Business Manager** is responsible for obtaining the relevant DBS checks and ensuring these are retained on file.
- At Trust level the **Trust Board** approves a personnel structure and hierarchy for the central trust team. Changes can only be made to this structure with the express approval in the first instance of the **CEO** who must ensure via discussions with the **CFO**, that adequate budgetary provision exists for any structural changes.
- At Trust level, the **HR & Communications manager**, maintains personnel files for all members of staff which include signed contracts of employment. All personnel changes must be notified, in writing, to the **HR & Communications manager**, immediately.
- At Trust level, the **HR & Communications manager** is responsible for obtaining the relevant DBS checks and ensuring these are retained on file.
- Recruitment procedures should always follow the processes outlined within the scheme of delegation.

Payroll Administration

- Payroll is administered through the academy trust's payroll provider.
- The trust uses the services of a payroll provider and the contract between the trust and the agent includes:
 - The responsibilities of the trust and the payroll bureau
 - the responsibility for making returns to HMRC and the dates by which these returns should be made
 - details of ownership of relevant software and data files
 - responsibilities for the control and accuracy of data
 - details of authorised signatories for payroll amendments
 - back up provisions
 - a schedule of reports to be sent to the trust for financial and personnel monitoring purposes
 - an agreement as to the response time and costs that will be charged for any additional data or reports required by the trust
 - provision for access to systems for authorised staff

The payroll agent processes the staff payroll following the variance checks authorised by business managers. They do not process salary changes authorised by the person whose salary is changing. Payments are made as follows:

- net payments to staff, by the payroll provider, by BACS
- HMRC payments, by the payroll provider to HMRC
- Pension payments by the payroll provider direct to TPS & LGPS
- Other legally enforceable deductions (court orders) by the payroll provider to the relevant recipient.
- Overtime claims, as part of net payments to staff, by the payroll provider
- Expenses payments to employees, through the payroll system by the payroll provider
- All staff are paid monthly through the payroll provider. A master file is created within the Stoke Payroll My View platform for each employee which records:
 - salary
 - bank account details
 - taxation status

- personal details
 - any deductions or allowances payable
 - other legal and relevant details
- New staff files on My View can only be created by the Finance Department (central team finance staff) with the express approval of the **Business Manager**. Any payroll amendments made by the Finance Department must be authorised by the Business Manager. Any My View pay and staffing amendments made by the **Business Manager** must be authorised by the **Principal**.
 - The Business manager collates monthly absence data for review as required and confirmation with payroll records.
 - Timesheets for additional hours, temporary work or overtime undertaken are completed by the employee. In turn this is authorised by the budget holder, prepared by the Finance Team and signed off **Business Manager**.
 - By the **first Monday** of each month the Finance Department will prepare and distribute a timetable for payroll processing specifying key dates for the month in question.

Payments

- Before payments are dispatched a report of all data should be obtained, including an exceptions report from the payroll provider and this should be checked against source documentation by the Academy Finance Department and then reviewed and confirmed by email by the **Business Manager** to the Trust Finance Manager. Authority to release payment will be by **Business Manager** and the **Principal**.
- All salary payments are made by BACS.
- The Trust Finance Department prepare a variance report between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc. This reconciliation is reviewed and email approved by the **Business Manager**.
- The payroll provider produces a monthly payroll exceptions report which highlights monthly pay variances.
- The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable is summarised on the gross to net pay print and payments for these amounts are prepared by the Payroll Provider and authorised for payment by the **Business Manager** and the **CFO** by the due date.
- The **Business Manager** selects at least three employees at random each month and checks the calculation of gross to net pay to ensure that the payroll system is operating correctly. The check is recorded and available for review by the **CFO**.

- After the payroll has been processed the nominal ledger will be updated by the **Trust Senior Finance Officer**. Postings will be made both to the payroll control account and to individual cost centres. The Academies Finance Department should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

Salary advances

- The trust does not award salary advances.

Overtime

- Overtime is recorded by the employee and submitted by the payroll cut off date to the **Finance Officer** for authorisation, the **Business Manager** completes the claim forms and copies of the time sheets are retained in the main office.
- Claim forms must not be submitted prior to work having been undertaken.
- No payments for work undertaken will be made other than via the payroll system.

Severance payments

- The trust can self-approve the non-contractual element of severance payments up to £50,000. A business case must be presented before agreeing a payment, using the form provided by DFE on Gov.uk.
- Where the non-contractual element is on or over £50,000 prior approval from DFE must be sought.
- The **Accounting Officer** must sign off and review each business case.

Ex-gratia payments

- Any ex-gratia payments must be submitted to DFE for prior approval.

Executive Pay

- The Trust ensures that procedures regarding executive pay are agreed in advance and documented. The Trust ensures that all decisions regarding executive pay follow a robust evidenced based process and that the rationale for all decision making is documented.

Income

The trust has responsibility for ensuring that all income due is properly accounted for. Day to day responsibility for this is delegated to the **Business Managers**. Income is accounted for in accordance with the requirements set out in the academies trust handbook.

DFE grants

- The main sources of income for the academy are the grants from the DFE. The receipt of

these sums is monitored directly by the **Business Manager** who is responsible for ensuring that all grants due to the academy are collected.

Other grants

- The receipt of these sums is monitored directly by **Trust Finance Officer** who is responsible for ensuring that all grants due to the academy are collected and reports directly to the **CFO**.

Educational Visits and Trips

- A lead member of staff must be appointed for each educational visit and trip to take responsibility for the collection of sums due. The visit leader must prepare a record for each student intending to go on the trip showing the amount due. A copy of the record must be given to the **Business Manager**.
- Students should make payments to the Finance Department. This will be via the parent payment system. The value of the payment will be recorded against the student making the payment.
- The Finance Department should maintain an up to date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher on a regular basis and the lead teacher is responsible in the first instance for chasing the outstanding amounts.
- Trips should be run at cost price, although allowance can be made for administrative fees and additional staff cover. Any surplus greater than £10 per pupil is redistributed to parents. If the school decides to subsidise the school trip the amount of subsidy must be approved by the **Principal** in advance of the booking being made.

Catering

- If catering is not operated in house, catering payments are outsourced to a specialist provider. The credits are reconciled to the providers reports in the first instance. Monthly checks are undertaken by **Business Manager** and cross referenced to a sample of individual pupils.

Lettings

- The **Business Manager** is responsible for maintaining records of bookings of sports facilities and for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities.
- Details of organisations using the sports facilities will be held by the Finance Department who will establish a sales ledger account and produce a sales invoice from the Financial Information accounting system.
- Copies of the organisations up to date relevant Public Liability, indemnity, insurance and qualifications (where relevant e.g. H&S, First Aid, Instructor etc.) are kept with the Letting Agreements and are reviewed at least annually.

- Lettings must be reviewed on a monthly basis to ensure that all lettings have been invoiced, either by the finance department or by a letting company.
- The **Business Manager** ensures that VAT is charged on lettings where it is appropriate to do so.

Sundry income

- Income from other sources (for example educational consultancy) is priced in consultation with the **Business Manager**. The transaction must not be undertaken until the price has been agreed and the customer has been assessed for ability to pay in accordance with the agreed Consultants Policy. The **CFO** approves all credit agreements.

Gift aid

- To ensure the academy trust, in its position as an exempt charity, receives all the monies it is entitled to the **CFO**:
 - reconciles income against records to confirm expected amounts have been received by the donor
 - ensures the tax reclaimable from HMRC has been obtained and any relevant business use deductions have been made.

Bad debts

- The Trust will take all reasonable measures to vigorously collect debts as part of its management of public funds control framework. A debt will only be passed onto an external debt collection agency after all reasonable measures, commensurate with the size and nature of the debt, have been taken to recover it.
- The trust will observe the relevant financial regulations and guidance set out in the academies trust handbook and any other legal requirements.
- Each academy chases all monies due, and those that have not been paid within 30 days of an invoice being issued, by telephone, letter or email. These debts are likely to relate to individuals, clubs or societies hiring the academy facilities.
- Reporting of outstanding debt levels – the **CFO** will ensure that the level of outstanding debt is regularly monitored. Suitable records will be maintained to detail individual debts in order that they can be reported to the appropriate manager.
- If the debt remains unrecoverable after 6 months, or it becomes clear that the debt will not be repaid, the **Business Manager** submits a report to **CFO** for approval of write off.
- The following write off limits apply:
 - Up to £150 – Business Manager
 - £151 to £5,000 – Finance and resources committee
 - Over £5,000 – Full governing body and refer to debt collecting agency

Purchasing

- The trust must achieve value for money on all purchases. A large proportion of our purchases are paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:
 - Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy
 - Accountability, the academy is publicly accountable for its expenditure and the conduct of its affairs
 - Fairness, that all those dealt with by the academy are dealt with on a fair and equitable basis
- All relevant procedures relating to purchasing are outlined within the Trusts Procurement Policy

Routine Purchasing

- 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. Data detailing actual expenditure and committed expenditure (orders placed but not paid for) against budget will be supplied to each budget holder every month by the **Business Manager**. Budget holders will be able to monitor data relating to their own budget areas on a monthly basis via reports from the on line financial information system.
- Routine purchases can be ordered by budget holders. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Finance Department. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the **Business Manager**. Copies of all quotes must be attached to the order form.

Novel, contentious and repercussive transactions

- Novel, contentious and/or repercussive transactions must always be referred to DFE for approval, and the request must be made to DFE before the transaction occurs. DFE may refer such transactions to HM Treasury for approval, so trusts should allow sufficient time for proposals to be considered.
- Novel transactions are those of which the academy trust has no experience, or are outside its range of normal business.
- Contentious transactions are those that might cause criticism of the trust by Parliament, the public or the media.

- Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.

Alcohol

- It is **strictly forbidden** for public funds to be used to purchase alcohol.

E-procurement

- Any department wishing to make a purchase on credit card must complete an official order form in the usual manner and pass this to the **Business Manager** or finance staff to make the purchase. All order forms detailing the purchase must be signed by the Budget Holder.

Orders

- All orders must be made, or confirmed, in writing using an official order form, stocks of which are held by the Finance Department. Orders must bear the signature of the budget holder and must be forwarded to the Finance Department where the **Business Manager** will check to ensure adequate budgetary provision exists before placing the order.
- Approved orders will be recorded in the purchase order module of the financial information system which allocates a reference number and commits expenditure. Orders will be dispatched to the supplier from the Finance Department
- The budget holder must make appropriate arrangements for the delivery of goods to the academy. On receipt the **budget holder** must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay.
- If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Department should be notified. The Finance Department will keep a central record of all goods returned to suppliers.
- All invoices should be sent to the Finance Department. Invoice receipt will be recorded by the Finance Department (and the invoice scanned) into Access Finance purchase ledger module. The Finance Department will review all invoices to ensure the following and signed and coded by the **Business Manager** and **Principal** (if required):
 - invoice arithmetically correct
 - invoice posted to purchase ledger
 - goods/ services received
 - goods/services as ordered
 - prices correct
 - invoice authorised for payment
 - payment authorised
 - VAT treated correctly
 - payment made

- The budget holder must make a detailed check against the order and the GRN and these documents must be attached to the invoice before it is sent back to the Finance Department. Budget holders must undertake these checks without undue delay and in any case within 7 days of invoice receipt.
- If a budget holder is pursuing a query with a supplier the Finance Department must be informed of the query and periodically kept up to date with progress.
- At the end of each week the Finance Department will produce a list of outstanding invoices from the purchase ledger and this list together with supporting documentation will be reviewed by the **Business Manager** ahead of any payments being processed.
- The **Trust Senior Finance Officer** will then send out a list of the proposed BACS payments to all Business Managers to check and approve, once this is complete, the **Trust Senior Finance Officer** will send a BACS payment authorisation checklist to the **CFO** and **Trust Accountant**. Payments will be authorised by the **CFO** or in their absence, the **Trust Accountant**.
- BACS payments are input by the Academy Finance Team and authorised on-line by the **Trust Senior Finance Officer** and **CFO** in accordance with the banking policy and procedures (see E-procurement and Payments above).

Orders over £1,000 but less than £10,000

- At least two quotations should be obtained for all orders between **£1,000 but less than £10,000** to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and e-mail confirmation of quotes has been received before a purchase decision is made and made in accordance with value for money principles.
- An assessment of quotations form should be completed in each case and signed by the budget holder, this document should be retained for audit purposes along with the original quotes obtained.

Orders over £10,000

- All goods/services ordered with a value over £10,000, or for a series of contracts which in total exceed £10,000 must be subject to formal tendering procedures.
- Capital Projects should be delivered in line with the DfE Guidance.

ATH Requirement of the Public Contract Regulations 2015

- Purchases over £50,000 are to be dealt with in accordance with the ATH requirement of the Public Contract Regulations 2015.

Trading with connected and related parties

Connected parties arise where one party has control or influence over the other, or where the parties are subject to common control. This includes parent companies and their subsidiaries, key management personnel including company directors, their close family members and other entities in which these parties have a controlling interest. Accounting standards require transactions between related parties to be disclosed in the company financial statements as connected party transactions. Such transactions are permitted under company law, charity law and under the academies trust handbook provided that open and transparent procurement procedures have been followed and any potential conflicts of interest are adequately and appropriately managed.

- 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 trustees, local governing body members, the Executive Leadership Team, Principals, and all academy staff with significant financial or spending powers (budget allocations above £2,000) are required to declare any financial interests they have in companies or individuals from whom the academy may purchase goods or services. The register is open to public inspection and trustees' interests must be displayed on the board's website.
- 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.
- The existence of a register of pecuniary and other interests does not, of course, detract from the duties of board members, local governing body members, and staff to declare interests whenever they are relevant to matters being discussed by the board or Academy Committee or any duly established committee. Where an interest has been declared, those involved should not attend that part of any committee or other meeting.
- The register of declarations will be held at each academy and it is the Board and each Academy Committee responsibility to keep these declarations up to date and a full review must be completed annually.
- The Trust must declare their intention to enter into a new agreement before confirming the transaction with a related party supplier. This includes agreements being renewed with a related party supplier.
- The Trust does not need to declare income transactions with related parties. For expenditure related party transactions with a new supplier, academy trusts must confirm whether they have previously received a donation from the related party.
- In line with the Academy Trust Handbook, salaries and other payments made by an academy trust to a related party under a contract of employment, through the academy trust's payroll, are not in scope of this reporting requirement.
- Academy trusts must continue to report all related party transactions, regardless of value, in their annual financial statements as set out in the [Academies Accounts Direction](#).
- The Trust must seek prior approval from DFE, when:
 - a single contract or agreement with a related party exceeds £20,000
 - a contract or agreement of any value means the total value of contracts or agreements with the same related party exceeds £20,000 in a financial year
- Services that can only be delivered by the diocese, which provide essential functions

fundamental to the religious character and ethos of the academy trust, are deemed as meeting the "at-cost" requirements. These transactions need only be declared and do not require prior approval.

- Transactions with the diocese which include any element of traded services do require prior approval and the summary guidance should be followed.
- The **F&O** committee regularly review the suppliers list and key management personnel to ensure related parties are identified and the register of pecuniary interests is cross-referenced.

Goods and services for private use

- No goods are ordered or services provided to include any elements of private use by trustees, governors and staff.

Forms of Tenders

- There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.
 - **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the **Business Manager** how best to advertise for suppliers 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:
 - 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 academy'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:
 - 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.

Preparation for Tender

- Full consideration should be given to:
 - objective of project

- overall requirements
 - technical skills required
 - after sales service requirements
 - form of contract.
- 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.
 - A tender brief must always be prepared and reviewed by the **CFO**.

Invitation to Tender

- 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.
- An invitation to tender should include the following:
 - 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
 - dates for decision and work to be delivered

Tender Acceptance Procedures

- The invitation to tender should state the date and time by which the completed tender document is received by the academy trust. Tenders are 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 are not accepted.

Tender Opening Procedures

- All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:
 - For contracts up to £25,000 - two of the budget holder, The **CFO**
 - For contracts over £25,000 - the **CFO** or the **CEO** plus a member of the Trust Finance and Operations Committee
- A separate record details the names of the firms which are submitting tenders and the amount tendered. The record is signed by both people present at the tender opening.

Tendering Procedures

- The evaluation process should involve at least two 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. 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.
- An assessment of quotations form should be completed in each case and signed by the budget holder, this document should be retained for audit purposes along with the original quotes obtained. Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the Finance & Operations Committee highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the Finance & Operations Committee.
- The accepted tender should be the one that is economically most advantageous to the academy. All parties are then informed of the decision.

Insurance

- The **CFO** and **Academy Committee** reviews insurance arrangements annually. They ensure that the sums insured are commensurate with the risks and include cover for academy trust property when off the premises.
- The Trust board reviews insurance arrangements for the Trust on an annual basis.
- The Trust has opted into the Department for Education's Risk Protection Arrangements (RPA).
- Budget holders must ensure all valuables are kept under lock and key when not being used in a supervised manner.
- The first £500 of replacement has to be funded by the department concerned as no budget is held centrally. Items under £500 will receive no insurance pay out and it is up to the department concerned as to whether the item is replaced or not.

Governors/Trustees Expenses

- All governors/Trustees of this academy trust are entitled to claim the actual costs, that they incur as follows:
 - childcare or baby-sitting allowances (excluding payments to a current/former spouse or partner)
 - cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner)
 - the extra costs they incur in performing their duties either because they have special needs or because English is not their first language
 - the cost of travel relating only to travel to meetings/training courses at a rate of 45 pence per mile which does not exceed the specified rates for school personnel

- travel and subsistence costs, payable at the current rates specified by the Secretary of State for the Environment, Transport and the Regions, associated with attending national meetings or training events, unless these costs can be claimed from the any other source
 - telephone charges, photocopying, stationery, postage etc.
 - any other justifiable allowances
- The Governing Body acknowledges that:
 - Governors/Trustees are not to be paid attendance allowance
 - Governors/Trustees are not reimbursed for loss of earnings
- Governors/Trustees wishing to make claims under these arrangements, must complete a claim form and return to the **Business Manager / Trust Senior Finance Officer** together with the relevant receipts. The form must be submitted to the Finance Department within two weeks of the date when the cost was incurred, when they will be submitted for approval by the Chair of Governors/Trustees or Chair of Finance and Operations and to be presented to the Finance Committee for final approval.
- Claims will be subject to independent audit and may be investigated by the Chair of Governors (or Chair of F&O, in respect of the Chair of Governors) if they appear excessive or inconsistent.

Gifts and Hospitality

- Ordinarily such gifts should be rejected, unless they are of negligible value (e.g. diaries, calendars). However, any gifts or hospitality in excess of £25 are reported to the Accounting Officer in order to protect the individual receiving the gift. This is particularly important where the person receiving the gift is a budget holder, has the ability to influence purchasing decisions or regularly receives reimbursement from the school for items other than travel expenses (see Gifts and Hospitality Policy for further details).
- Gifts that have been reported are entered onto the gifts and hospitality register.

Energy Management

- The **Business Manager** is responsible for recording, monitoring and analysing water, gas and electricity consumption on a monthly basis. Meters should be checked before authorising any invoices from the utilities providers. Any discrepancies or unusual reading should be raised with the **CFO** immediately.
- The **Business Manager** ensures that the school's heating system is operated and run as efficiently as possible.
- The **Business Manager** ensures that the school is purchasing energy at the most competitive prices available.

- All staff have the responsibility to work in an energy efficient manner at all times (e.g. turning off computers, lights and heating when not required).

Fraud

- The trust does not tolerate fraud. Where instances of fraud are found the **CFO** will notify the DFE as per the academy trust handbook and pursue any necessary legal recourse.

Whistleblowing

- The Trust has a Whistleblowing policy.

Leasing

- Under UK financial reporting standards applicable to academy trusts, there are 2 types of lease:
 - Finance leases which are a form of borrowing
 - Operating leases which are not borrowing
- The **CFO** will ensure that all leases agreed by the Trust and its academies will be fully understood before they are entered into. An assessment of lease form should be completed by the **Business Manager** for any proposed leases and sent to the **CFO** for approval, together with all relevant documents. No leases should be entered into without written approval from the **CFO**.
- This means ensuring:
 - all leasing options are clearly considered and the implications considered
 - That the commissioning process is always followed before considering the type of finance.
 - An efficient procurement process is followed.
 - The cost of leasing is always compared with the cost of procurement.
 - Comparisons are always made on a like for like basis.
 - Relevant checks are made into the provider of the finance.
 - The costs, and the period, of the lease are clear.
 - What happens at the end of the lease is fully understood.
 - That the arrangements for maintenance and supply services are documented.
- Leases must be entered into in line with the financial authorisation levels.

Pooling of GAG

- The Trust has the freedom to amalgamate a proportion of GAG funding for all its schools to form one central fund. This fund can then be used to meet the normal running costs at any of the schools within the Trust in accordance with the guidelines that govern the use of GAG funding. The Trust must have due regard to the funding needs and allocations of each individual school and there must be an appeals mechanism in place. If an individual

academy's Principal feels that the school has been unfairly treated in relation to pooling arrangements, they should first appeal to the Trust. If the academy head teacher's grievance is not resolved, they may then appeal to the Secretary of State for Education, whose decision will be final and who may dis-apply the provisions for pooling in this Handbook in relation to the Trust.

VAT

- The **CFO** is responsible for submitting the VAT return on a monthly basis and to ensure compliance with HM Revenue and Customs for claiming the correct levels of VAT.

Fixed assets

Asset register

- All items purchased with a value over the academy's capitalisation limit of £1,000 must be entered on the electronic fixed asset register with the following details:
 - asset description
 - asset number
 - serial number
 - date of acquisition
 - asset cost
 - supplier name
 - source of funding (% of original cost funded from grant and % funded from other sources)
 - expected useful economic life
 - depreciation
 - current book value
 - location
 - name of member of staff responsible for the asset
- The asset register helps:
 - 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
 - to manage the effective utilisation of assets and to plan for their replacement
 - help the external auditors to draw conclusions on the annual accounts
 - support insurance claims in the event of fire, theft, vandalism or other disasters

The fixed asset register is reviewed annually to ensure depreciation calculations are correct.

- Examples of items to include on the asset register include:
 - ICT hardware and audio visual software (this list can be combined and used to identify software licences to ensure the school is complying with legislation)
 - Reprographic equipment – photocopiers, comb binders, laminators
 - Office equipment – fax machines, shredders, switchboard
 - Furniture
 - AVA equipment – TVs, DVD players, OHPs, cameras, speakers
 - Cleaning equipment – vacuum cleaners, polishers

- Catering equipment – ovens, fridges, dishwashers, food processors
- Technology equipment – sewing machines, craft machinery
- Premises equipment – lawn mowers, power tools, generators
- Other equipment – musical instruments, PE equipment
- Mini buses

Security of assets

- All the items in the register are permanently and visibly marked as the academy trust's property.
- Equipment is, where possible, stored securely when not in use.
- An annual count is under-taken by the **Facilities Manager** who is different from the preparer of the asset register. Where discrepancies between the physical count and the amount recorded in the register are found these are investigated promptly and where significant, reported to the governing body.

Disposals

- Disposals, where applicable, are in line with the Academies Trust Handbook and levels of authority document.
- Items which are to be disposed of by sale or destruction must be authorised for disposal by **Business Manager** and, where significant, should be sold following competitive tender. The academy must seek the approval of the DFE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Loan of Assets

- Items of academy property must not be removed from academy premises without the authority of the **Principal**. A record of the loan must be recorded in a loan book and booked back in academy when it is returned.
- If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.