



Financial Instructions & Procedures Manual

To be adopted by The Sovereign Multi Academy Trust including
Chatsworth Futures

Version: 9.2

Date: 29/09/2024

thesovereigntrust.uk

The Sovereign Trust is a Multi Academy Trust registered in England No. 09666511. Registered Office: Manor Academy Sale, Manor Avenue, Sale M33 5JX



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Will be updated annually and should be as published in the Academy Handbook

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Version	Date	Amendments	Author	Status
9.0 & 9.1 & 9.2	Spring / Summer 2024	<p>Updated as per Comments from NM Expense Appendix and Form to be further developed in next version. App 16 Expenses guidance is being reviewed with internal auditor and will be included as soon as resolved.</p> <p>Academy Handbook 2024 updates Digital & Tech – Cyber Security – reference to DfE's standard under the responsibility of Chief Information Officer. Internal Auditor will have relevant qualifications and experience Academy "Must Do" Excel Tool App 2 Related Party Check List Available Audit Committee to consider the skills & experience of the board</p> <p>App 19 Salary Sacrifice Scheme guidance and schemes have been reviewed and Electric Vehicle requirement to obtain ESFA approval included. Cycle Scheme applications under the responsibility of the Chief HR Officer Adobe Contracts provided to support finance officer role – cost included as part of top slice. App 17 – Mileage claim form reviewed and additional authority/approval included App 18 – New/Change Supplier/Customer Form included and need for additional authority. Loans Policy and ability to organise loans for employees has been removed entirely from this</p>	Lisa Hughes	<p>For Feedback at F&R 02/05/2024 V9.0</p> <p>For approval at F&R 03/10/2024 V9.1</p>

		<p>policy. Loan Policy is now archived and considered obsolete. This is an ESFA directive. Inclusion of auditors as those that have access to payroll records. Financial Controller/Manager</p> <ul style="list-style-type: none"> Removed from processing payroll, role is to reconcile payroll to finance systems only. Responsible for whole trust signature list Payroll reconciliation to budget system reports to be provided to the CFO termly. Reconciliation of Estates loans to finance system Support with preparation of Trustee Mgt Reports Weekly Bank Reconciliation <p>HR Assistants responsibility is to receive approved/signed expense forms Centrals Monthly Payroll to be signed off by CEO</p> <p>Faster payments – controls determined.</p> <p>No individual is allowed to have any involvement in payments where they have personal gain. Decision making or processing payments in any way.</p> <p>Definition of Authority for processing of payments.</p> <p>Business Support Manager – Now named Operations Manager (@New Park)</p> <p>Safe Cash Limits included App 15</p> <p>Payroll errors and corrections included</p> <p>Instructions are to be followed by CW Futures</p> <p>New roles and titles of the central team included and all roles reviewed within</p>		
<p>8.2</p> <p>8.0</p>	<p>06/10/2023</p>	<p>Request from Committee Mtg – review Key staff chart.</p> <p>SBM role included – names within document removed. Contract Info contains indemnity info and Appendix 14 – Indemnities Trade Card/Fuel Card – kept in safe Key Register Appendix 15 Safe Use – reviewed Employee Loans included – the role of HR Manager PR's electronic format covered App 6&7 Monthly Checklists Reviewed Monthly Mgt Accounts Timeline reviewed Salary Sacrifice included in role of HR Manager Academy Trust Handbook 2023 adopted</p> <ul style="list-style-type: none"> * Related party transactions: an increase in the threshold ESFA approval req on contracts above £40k * Budget setting: annual budget forecast returns to 31 August 	<p>Lisa Hughes</p>	<p>Approved F&R 05/10/2023</p>

		<p>* Budget monitoring: providing more discretion in the distribution of management accounts</p> <p>Accountability: explaining that the roles of the Accounting Officer and Chief Financial Officer should not be occupied by the same person</p>		
7	08/12/2022	See Appendix 9	Lisa Hughes	Approved F&R 08/12/2022
6	02/12/2021	<p>New handbook name used</p> <p>Checking of supplier bank details – phone contact required</p> <p>Expense procedure updated – no separate guidance</p> <p>Multi-Pay – cash facility info</p> <p>Contract renewal for legal support/advice</p> <p>Financial Timetable App 6 review of timeline at end of year and addition of procedure for first BACs run.</p>	Lisa Hughes	Approved F&R 02/12/2021

Key Financial Roles

Next Review Date	31/12/2024
Role	
Accounting Officer	
Executive Headteacher / Head of School	
Chief Financial Officer	
Chief HR Officer	
Chief Information Officer	
Finance Manager	
Finance Controller	
HR Manager	
Estates Manager	
Central Finance Officer	
Central HR Assistants	
Operational Finance Assistants and HR/Admin	

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1 Introduction

The Trust Board is determined that the finances of Sovereign Trust are used to best effect, making every pound count and maximising outcomes for our pupils. This will be underpinned by ensuring effective financial control and the highest standards of integrity are maintained at all times. This will include:

- Having rigorous arrangements in place for preparing and monitoring financial plans
- Having and maintaining an effective integrated framework of financial control and operating procedures
- Maintaining a system of internal scrutiny to remain compliant.

All board members and staff are expected to observe the highest standards of conduct.

The purpose of this manual is to ensure that the Trust maintains and develops systems of financial control, which comply 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 Education Secretary.

The Trust must comply with the principles of financial control outlined in the guidance published by the Education Funding Agency (ESFA) in The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook). This manual expands on that and provides detailed information on the Trust's financial control arrangements and accounting procedures.

The Financial Procedures & Instructions Manual is relevant to Trust staff at all levels. It sets out clear expectations and requirements in managing the finances of the Trust. All staff with financial responsibilities and/or duties involving financial administration should be made aware of the contents of this manual and have access to it.

It is the responsibility of the Chief Financial Officer and each Head of School under delegated authority of the Chief Executive as the Accounting Officer to ensure that staff, follow the requirements of the manual whilst delivering their service. However, the Chief Executive retains personal accountability.

Examples of relevant financial activities are listed below. This list is not exhaustive, but is intended to show that the most routine task has a procedure set out in the Financial Procedures Manual.

- Submitting staff time sheets or travel claims for payment
- Procuring goods, services and works
- Paying invoices
- Petty cash
- Receipt of cash
- Raising sundry debtor invoices
- Insurance claims
- Budgets
- Leasing equipment/vehicles
- Inventories
- Computer security
- Internal audit
- VAT matters

2 Responsibilities

2.1 Introduction

The Trust Board has defined the responsibilities of each person involved in the administration of Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for Trustees and staff.

2.2 Proper and regular use of public funds

In accordance with The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook), the Trust must ensure that:

- Spending has been for the purpose intended.
- No member, director, Trustee, employee or related party has benefited personally from the use of funds.
- All members, directors, trustees and employees who have decision-making roles have completed the registers for business interests and related parties and there are measures in place to manage any conflicts of interest.
- There are no payments to any trustee unless such payment is permitted by the articles and, where applicable, comply with the terms of any relevant agreement entered into with the Education Secretary.
- Payroll arrangements for all employees fully meet tax obligations and comply with the Treasury's directions regarding the employment and contract arrangements of individuals on the avoidance of tax.
- There is probity in the use of public funds.
- A competitive tendering policy is in place and applied.
- There is no disposal of publicly funded assets without the Education Secretary's consent, where such consent is required.

2.3 The Board of Trustees/Directors

The Board has responsibility for ensuring the proper stewardship of the Trust's funds and for ensuring economy, efficiency and effectiveness in their use. It must also ensure that it uses its discretion reasonably, and take into account relevant guidance on accountability or propriety. The Board needs to ensure that the Trust's funds are used only in accordance with:

- The law.
- Their powers under the funding agreement, including the articles of association that set out the powers of the Trust and its governance arrangements.
- The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook).

The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook) sets out the responsibilities that are placed on individual trustees and the board of trustees as a whole. This information will be updated as necessary each year:

See [Appendix 1 & 2](#) for more information on **Trustee Responsibilities and The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook)**.

2.4 Finance & Risk, and Audit Committees

The Finance & Risk, and Audit Committees are set up as formal committees of the Board. The Committees feed into Board of Trustees meetings and relevant accounting deadlines, such as approval of Annual Report & Accounts and ESFA Budget Returns. The meetings will normally take place in October, December, March and July. Additional meetings may be called by one of the Chairs of the Committee, or at the request of the Trust Board.

Duties

Finance and Risk

- To oversee the management of the Trust's financial affairs (with the year end being 31 August) and longer term financial planning.
- To ensure the proper and timely preparation of the Trust's Annual Report & Accounts and budgets in good time for relevant deadlines.
- To advise, guide and receive information from the directors of any subsidiary or trading company.
- To advise regarding any funding submissions or applications.
- To receive and approve the Trust budgets and accompanying commentary prior to final submission to the Board of Trustees and the ESFA.
- To receive the Trust's management accounts and accompanying management report, discuss any variances to budget and agree any actions necessary to improve the Trust's financial performance.
- To receive and approve any investment expenditure budgets and accompanying commentary and to receive regular reports from the Executive Management team on progress with any major investment projects (i.e. over £25,000).
- To review and develop the Trust's systems of financial delegations, procedures and systems of internal control and assurance.
- To oversee and advise the Trust Board on its overall approach to risk management, any risk exposures of the Trust and any actions necessary to mitigate such risks including future risk strategy.
- To keep under review the overall risk assessment processes that inform the Trust Board's decision making.
- To review and approve appropriate risk management policies and procedures, monitor the compilation and implementation of the Risk Register and resulting action plans.
- To receive annually a report on Health & Safety, Safeguarding and Information Governance issues noting actions and progress.
- To make other decisions relating to finance or risk as delegated by the Trust Board.
- To receive any relevant reports from the Executive Management Team or other meetings.
- Abide by and ensure compliance with the Trust's governing documents, policies, the Funding Agreements, The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook) and any ESFA guidance documents.

Audit

- To keep under review the appropriateness, adequacy and effectiveness of the Trust's overall governance, risk management, control and assurance arrangements including financial reporting, accounting policies, and counter fraud and whistleblowing policies.
- To review the terms of reference, scope and work plans of the external auditor, responsible officer (or internal audit if applicable).
- Oversee the appointment, ensuring appointed officer has relevant professional qualifications or experience.
- Ensure scrutiny of the audit budget and auditor's fees, and monitor the performance, of the auditors or other assurance providers and make recommendations to the Board as necessary.
- To consider the findings and recommendations of the auditors or other assurance providers, management responses, and review progress of agreed actions against recommendations to ensure timely implementation.
- To offer an ultimate port of call for any urgent or highly sensitive concerns raised under the Trust's whistleblowing policy in respect of the Trust's integrity, financial or otherwise.
- To review the annual financial statements, Statement of Internal Control and external auditor's report to satisfy itself that the statements present a true and fair view, that it can reasonably sign the letter of representation, before formal consideration by the Board providing any advice as necessary.
- To consider the governance structure, and the board's composition in terms of skills, effectiveness, leadership and impact

Terms of Reference is available as a separate document.

2.5 Accounting Officer

The role of the Accounting Officer must not be undertaken by Chief Financial Officer.

The Accounting Officer Role is fulfilled by the Chief Executive Officer.

The role Accounting Officer includes specific responsibilities for financial matters, and a personal responsibility to the Board, to Parliament and the ESFA's Accounting Officer for the financial resources under the Trust's control. The Accounting Officer must be able to assure Parliament and the public of high standards of probity in the management of public funds, particularly regularity, propriety and value for money. The essence of the role is:

- Personal responsibility for the propriety and regularity of the Trust's funds.
- Having appropriate oversight of financial transactions.
- Keeping proper accounts.
- Prudent and economical administration.
- The avoidance of waste and extravagance.
- Ensuring value for money.
- The efficient and effective use of all of the resources in their charge.
- The day-to-day organisation, staffing and management of the Trust.
- Effective identification, assessment, and mitigation of key strategic risks

The accounting officer must advise the Board of Directors in writing if, at any time, in his or her opinion:

- Any action or policy under consideration by the board is incompatible with the terms of The Academy Trust Handbook (ATH, also known as the Academies Financial 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 Academy Trust Handbook (ATH, also known as the Academies Financial 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 Academy Trust Handbook (ATH, also known as the Academies Financial Handbook) or the funding agreement, the accounting officer must advise the ESFA's accounting officer of the position in writing.

2.6 Executive Headteacher & Heads of School

Those in these roles have specific delegated financial responsibility for:

- Leading and managing the Trust development plan which is underpinned by sound resource planning, and identifies priorities and targets for ensuring that pupils achieve high standards and make progress, increase teachers' effectiveness and secure improvement of the Trust's performance.
- Ensuring that all relevant ESFA financial requirements are implemented.
- Maintaining sound financial control in the school in accordance with agreed arrangements and procedures and with the support of Chief Financial Officer.
- Ensuring the efficient and effective deployment of the Trust's resources and that the funds delegated to the Academy are used in accordance with their legal entitlement.
- Ensuring effective oversight and action taken to contain expenditure within agreed budget.
- Ensure that the full financial implications of decisions taken are fully understood and can be contained within approved budget.
- Ensuring financial forecasts and draft budgets are compiled for the Chief Financial Officer in accordance with agreed timescales to ensure timely consideration by the Finance & Risk Committee, and Board.
- Ensuring the effective identification, assessment and mitigation of risks in accordance with the Risk Management Framework and procedures.

2.7 Chief Financial Officer

The Chief Financial Officer is responsible for the following financial duties:

- The day-to-day management of the financial affairs of the Trust.
- The implementation and maintenance of effective systems of internal control.
- The maintenance of the Trust's accounting records.
- Preparing and monitoring financial budgets and plans to ensure on-going financial health.
- Providing timely in-year financial performance reports to Headteachers/Heads of School, Accounting Officer, Finance Committee and Board.
- Providing financial advice to the Accounting Officer, Headteachers/Heads of School, Finance Committee and Board.
- Ensuring timely production and presentation of the annual financial statements, adequately supported by the underlying books and records of the Trust.
- Ensuring that the Trust receives all of the income to which it is entitled.

- Making purchases in accordance with the Trust's procurement/tendering policy.
- Managing specific projects.
- Obtaining legal advice when appropriate.
- Ensuring regular communication with members of the Finance & Risk and Audit Committees and auditors.
- Lead officer for the Finance, Risk & Audit Committee
- Ensuring ESFA approval obtained in all cases where required in accordance with The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook).
- Ensuring that financial reports are produced and filed as required for the Board, ESFA and Companies House.
- Determines if use of Faster Payments is necessary and gains written approval from CEO.
- Checking of Centrals Monthly Payroll run and sign off in place by the CEO.

2.8 Chief HR Officer

- Ensuring the register of business interests is updated.
- Ensuring compliance of ESFA authorisation limits are adhered to.
- Monitoring Salary Sacrifice applications and ensuring they are at an appropriate level to earnings and can be accommodated within Trust unrestricted funds. See [Appendix 19](#).
- To receive Cycle Scheme applications, appraise and approve.
- Ensuring policies are reviewed and aligned with ESFA guidance for employee claims - travel, subsistence and other expenses and allowances.
- Completing annual audit checks of payroll to ensure gross pay reflect the personnel records held.

2.9 Chief Information Officer

- Building the 5 year IT capital plans, presenting for annual Trustee approval and monitoring and reporting of project completion, producing a tracker to record progress and changes.
- Forecasting income and expenditure for all areas related to Information and Technology, providing guidance to each academy headteachers and IT co-ordinators.
- Publish relevant policies and provide academies with guidance on the safe disposal of assets.
- Maintenance of the IT asset register that supports audit annual review/
- Ensure Lease information is recorded.
- Digital & Technology Standards – Cyber Security : will be determined whilst giving reference to the [DfE's digital & technology standands](#)

2.10 Financial Manager

The Financial Manager is responsible for the following financial duties:

- To operate, maintain, develop and audit the financial procedures and systems of the academy. Ensuring compliance with ESFA guidelines along with The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook) (AFH) and the MAT's financial policies.
- Providing guidance, training and support to all staff on financial matters.

- Support the Chief Information Officer and the Estates Manager to record assets and produce trackers that report on assets purchased and Capital spending thus supporting depreciation calculations.
- Auditing of BAC's/Faster payment processing and authorising at bank.
- Creation and audit of monthly VAT submittal. Authorisation to submit is given to Central Finance Officer. Receipt of reimbursements made to appropriate academy.
- To apply Top Slice and allocate advance and GAG funding to academies.
- To reconcile payroll to the financial management system, produce termly reconciliation analysis reports to the CFO for review.
- Maintaining a Trust Wide Signature Authority List for auditing and control purposes.
- To reconcile repayments of Loans to the finance system and report to Trustees – Capital Loans and Salary Sacrifice schemes deductions made via payroll.
- Maintenance of the banking direct debit lists.
- Process Budget variations on the financial management system and production of reports for Trustees.
- Payroll Control Account Reconciliation.
- To investigate any anomalies with payroll payment to that held within the budgeting financial management system, produce termly reconciliation analysis reports to the CFO for review.
- Maintain the Safe Key Register.

Along with all responsibilities listed under the Financial Controller.

2.11 Financial Controller

The Financial Controller is responsible for the following financial duties:

- To organise, maintain and monitor the School's financial systems and to support the finance, HR and admin staff within the central team and at all academies with all aspects of financial controls and applying the Trusts financial policies and procedures.
- To ensure all financial reconciliations are undertaken in a timely manner.
- To provide solid, reliable, compliant school's finance and resources structure.
- Providing guidance and support to all staff on financial matters.
- Ensuring full awareness of changes in financial regulations and undertaking any necessary training to ensure that the best financial practices are followed, and compliance maintained.
- To complete the monthly monitoring checklist (see [Appendix 7](#))
- Ensure assets are recorded and reported.
- Support monthly VAT submittal return.
- Post Payroll Payment Journal to Financial Management System
- Support with the Purchase Requisition & Ordering Process

2.12 Chief HR Officer

- Ensuring the accuracy and integrity of the Trust's payroll.
- Ensuring the appropriate payroll checks have been completed and sign off Academy monthly payroll runs.
- Correction of any payroll mistakes identified that result in under or over payment of salaries.

2.13 Estates Manager

- Responsible for planning and managing each academy premises budgets for maintenance, improvements and caretaking liaising with academy headteachers and caretaking staff.
- Forecasting income and expenditure for all areas related to premises and estates.
- Supporting budget holders within their academy to monitor their expenditure and income generation is as planned and ensure school's resources are used efficiently.
- Building the 5 year Estates capital plans, presenting for annual Trustee approval and monitoring and reporting of project completion, producing a tracker to record progress and changes.
- Establish best value of contracts, undertake tenders.
- Completion of bids, securing of capital grants and funding.
- Maintaining a list of preferred contractors / suppliers.
- Reviewing the Lettings Policy and supporting the academies with guidance and procedures. Ensuring timely invoicing and income receipting.
- Provide systems that ensure the accurate recording of assets and capital projects for audit reporting and applying depreciation.
- Ensure Lease information is recorded.
- Responsible for completing the Trust Land and Buildings Returns.
- Building an energy efficient environment and culture, applying cleaner energy transitions when possible.
- Completion of the Annual Energy Report and reporting to Trustees on energy use.

2.14 Central HR Assistants

The Central HR Assistants support the financial function by keeping accurate records of pay and contracts that allow for meaningful budgeting:

- Processing contract amendments, new starters, leavers promptly
- To receive and process payment via payroll of completed / approved employee expense claim forms.
- Sharing absence and other changes to pay – ie maternity, paternity with the Chief Finance Officer so that budget implications can be understood
- Running monthly payroll checks

2.15 Central Finance Officer

The Central Finance Officer is responsible for central finance functions: -

- Uploads BAC's payment runs to bank
- Uploads Faster Payments to bank – Only in extreme circumstances with written authority from both the CEO and CFO.
- Reconciling the Central Bank
- Submitting of monthly VAT submittals for all Academies within the MAT and checking HMMC has received.

The Central Finance Officer is responsible for processing transactions on the central layer of the finance management system and they have the responsibilities as Operational Finance Officers for an academy setting.

2.16 Operational Finance and HR/Admin assistants within Academy Setting

The Operational Finance and HR/Admin assistant is responsible for:

- Maintaining the Trust's accounting records.
- Ensuring financial procedures are adhered to at all times.
- Adhering to a month end financial timetable. See [Appendix 6](#).
- Completing the monthly monitoring checklist (see [Appendix 7](#))
- Preparation of monthly payroll information.
- Managing petty cash.
- Maintaining signature lists appropriate to academy.

2.17 Other Staff

All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Trust's financial procedures.

3 Whistleblowing & Fraud

The Board seeks to run all aspects of Trust's business and activity with full regard for the highest standards of conduct and integrity. If any employee, trustee, parent, supplier or contractor, stakeholder or anyone from the Trust community at large becomes aware of activities which give cause for concern, we have a Whistle Blowing policy. This acts as a framework to allow concerns to be raised confidentially and provides for a thorough and appropriate investigation of the matter, including bringing it to a satisfactory conclusion, under the Trust's disciplinary procedure.

We are committed to tackling fraud and other forms of malpractice and treat these issues seriously. We recognise that some concerns may be extremely sensitive and have therefore developed arrangements which allows for the confidential raising of concerns within the Trust environment. The Whistleblowing policy is available on the Trust's intranet.

The Audit Committee will be responsible for monitoring the implementation and effectiveness of this policy. It will be reviewed by the Board as necessary.

4 Register of business interests and third party relationships, and gifts and hospitality policies

Members, trustees and employees must avoid conflict of interest, not to accept benefits from third parties, and to declare interest in proposed transactions and arrangements. Those who make decisions must observe the principles of good governance. Conflicts of interest are not solely related to financial interests, but can be non-financial professional interests, non-financial personal interests or indirect interests. No member, trustee, local governor, employee or related individual or organisation can use his or her connection to the trust for personal gain.

The Trust therefore maintains a register of the business interests and third party relationships of each Member, Trustee, and employee with significant financial responsibilities or decision-making responsibilities. The register requires declaration of:

- Directorships, trusteeships or roles in other organisations
- Interests with suppliers or other organisations in which the Trust may wish to buy goods or services from, or enter into other contractual arrangements.
- Interests in the appointment, salary, promotion or conditions of service of members of staff or prospective employees.
- Related third parties including close family ties.

For each interest, the name and nature of business, the nature of the interest, the date the interest began and ceased must be recorded. The information in the register is taken into account in the conduct of all business activities.

Any Trustee or member of staff who has an interest in a business tendering for a contract does not form part of the committee awarding the contract. Any Trustee or member of staff who has an interest in the appointment, salary, promotion or conditions of service of a member of staff does not form part of the committee recommending or deciding these.

ESFA provide a [check-list](#) that can be used to ensure impartial consideration is given to evaluating bids from related parties.

Can be downloaded here -

[https://assets.publishing.service.gov.uk/media/66cedf101aaf41b21139cfa7/Checklist -
_things_to_consider_when_transacting_with_a_related_party.odt](https://assets.publishing.service.gov.uk/media/66cedf101aaf41b21139cfa7/Checklist_-_things_to_consider_when_transacting_with_a_related_party.odt)

The Trust must report all contracts and other agreements with related parties to the ESFA in advance of the contract or agreement commencing or being renewed, using the ESFA's [related party on-line form](#). The Trust must obtain ESFA's prior approval, using ESFA's related party on-line form, for contracts and other agreements for the supply of goods or services to the Trust by a related party agreed on or after the start of the financial year, September where an agreement exceeds £40,000 in the same financial year.

Trustees and members of staff are required to inform the Trust of any changes in their interests as these arise so that they can be entered in the register. The register is also updated annually. Nil returns are obtained as appropriate. Any Trustee or member of staff who is unwilling to declare their interests or complete a nil return is not permitted to influence a buying or staffing decision.

The agendas of the Board or any other committee have a standing agenda item requesting any attendee to declare any conflict of interest relating to any of the meeting's business or general update to business interests and third party relationships.

The only exception to the requirement to disclose a business interest is where the interest is so distant or small that no reasonable person could expect it to influence a person who might have dealings with the business concerned. In such cases, it need not be disclosed. An example is a modest shareholding in a large public

company even if the Trust has or may have dealings with the company. However, where there is any doubt the policy is to declare.

The register is freely available for inspection by Trustees, staff and parents, and is available on the website.

4.1 Receipt of gifts, hospitality, entertainment and other services

Trustees, and all staff must not accept any gift with a value over £25, frequent or regular gifts, hospitality, entertainment or other services from existing or prospective suppliers. Trade offers of a relatively trivial nature and value such as calendars, diaries, pens etc. can be accepted. When considering whether to accept such offers, individuals must consider whether their independence could be or perceived to be compromised. The Trust maintains a register of gifts and hospitality and all offers except those of a trivial nature should be recorded and whether these were accepted or rejected. Trustees and members of staff are required to inform the Trust of such offers as they arise.

In exceptional circumstances hospitality over the value of £25, may be accepted, where this is approved by the Accounting Officer, and in such circumstances where there is a clear legitimate business reason and it is proportionate to the nature and purpose of the event. These gifts must be declared on the register.

Cash must never be accepted, and any offers must be declared. Further guidance is given in the Gifts & Hospitality Policy.

4.2 Expenditure on gifts, hospitality, entertainment and favours

Expenditure on hospitality from public funds is only incurred in the provision of education. Hospitality is generally only provided in the workplace and usually restricted to tea/coffee, biscuits, soft drinks or sandwiches. Modest hospitality is occasionally provided outside the workplace.

All expenditure must have the authority of the Headteacher / Head of School.

Gifts organised for employees should be for the purpose to recognise achievement. Alternative funds should be used where possible and for gifts of any other reason. The CEO must be consulted about any proposals to provide gifts or hospitality with a value of over £25 and should be declared on the register.

Further guidance is given in the Gifts & Hospitality Policy.

4.3 Private use

The Trust does not obtain goods or services for the private use of Trustees and members of staff. Trustees and members of staff may not:

- Hold any interest in any equipment or property held or used for the Trust.
- Acquire any interest in the disposal of Trust equipment or property at the end of any contract between the Trust and any third party.

5 Audit

The Trust through its members must appoint statutory auditors, under the requirements of the Companies Act 2006, to carry out an audit and certify that the annual accounts present a 'true and fair' of the Trust's financial performance and position.

The auditors' engagement letter explains the external audit service. Additional services, should they be supplied, will be subject to a separate letter of engagement.

The letter of engagement:

- Provides for the removal of the auditors before the expiry of their term of office in exceptional circumstances. Proposals to remove the auditors require a majority vote of the members of the trust board who must provide reasons for their decision to the Board.
- Requires the auditors to state their reasons if they resign from office.

The board must notify the ESFA immediately of the removal or resignation of the auditors:

- In the case of removal, the Trust must notify the ESFA of the reasons for the removal.
- In the case of resignation, the Trust must copy to the ESFA a statement of explanation from the auditors.

An accounting officer's statement on governance, regularity, propriety and compliance is included in the Trust's annual accounts and report. A review of this statement is included within the external auditors' remit and their opinion on this is addressed jointly to the Trust and the ESFA.

The accounting officer also has a responsibility to advise the board and the ESFA of any instances of irregularity or impropriety, or non-compliance with the terms of the Trust's funding agreement.

6 Insurance

The Academies are covered by the risk protection arrangement (RPA) that is an alternative to commercial insurance for academy trusts. Under RPA, the UK government covers the losses instead of commercial insurance.

Cover is charged at a prescribed amount per year per place from place funding and includes:

Type of risk	Description	Limit
Material damage	Loss or damage to buildings, contents, computers and stock owned by or the responsibility of the academy	Reinstatement value of the property
Business interruption	Compensation for increase in cost of working, resulting from interruption or interference with the business following a material damage loss	£10,000,000 any one loss
Employers liability	All sums the academy may become legally liable to pay (including claimants' costs and expenses) following death, injury or disease sustained by Employees and arising out of and in the course of their employment by the academy	Unlimited
Third party liability	For all sums the academy may become legally liable to pay (including claimants' costs and expenses) as damages in respect of accidental third party injury or third party property damage	Unlimited
Governors' liability	Governors' liability expense	£10,000,000 any one loss and any one membership year

Professional indemnity	Actual or alleged breach of professional duty	Unlimited
Employee and third party dishonesty	Direct pecuniary loss due to the dishonesty of academy Employees and/or theft of money by computer fraud	£500,000
Money	Loss of money whilst in transit or elsewhere	Various, including cash on premises or in transit £5,000
Personal accident	Compensation for accidental bodily injury to Employees, governors, trustees, volunteers and pupils of the academy whilst on the business of the academy in the UK	Death and capital benefits £100,000
United Kingdom travel	Compensation for travel related costs including loss of baggage, cancellation, curtailment, rearrangement and change of itinerary	Baggage and money £2,000 per person. Cancellation £1,000 per person
Overseas travel including winter sports		Includes: baggage £2,000 in total per person (inner limits apply), money £750 per person, medical expenses £10,000,000, cancellation £4,000 per person.
Legal expenses	Reimbursement of legal expenses relating to employment disputes, contractual disputes, tax investigations, civil actions in relation to school expulsions	£100,000 any one loss and any one membership year
Cultural assets		£10,000 on any one cultural asset or £250,000 any one multiple loss

RPA doesn't cover:

- motor vehicle insurance.
- overseas travel insurance - RPA only covers travel in the UK.
- work of art insurance.
- engineering inspection and insurance - academy trusts will need to make their own arrangements for statutory inspections with an authorised body.

DfE do not accept claims from PFI academies for their PFI risks. After reviewing PFI insurance funding arrangements for academies, they concluded that all local authorities fund academies for PFI in the same way as local-authority-maintained PFI schools. Therefore, there is no case for giving additional funding to academies for the costs of PFI insurance.

New Park Academy has joined RPA for their non-PFI risks only, separate insurance exists for the PFI land and Buildings.

The Trust currently has separate insurance for Minibuses and travel as required.

Details of all insurance policies held by the Trust are kept in the Central Team Office. The Trust does not give any indemnity to a third party without the written consent of their insurers. The Trust immediately informs its insurers of all accidents, losses and other incidents, which may give rise to an insurance claim.

7 Taxation

The Trust abides by the procedures issued by the HMRC (Her Majesty's Revenue & Customs) in connection with VAT.

The Trust keeps potential 'trading' activities under review and considers whether to set up a subsidiary trading company.

Non-VAT invoices are reported to the Central Team before processing to ensure CEST determinations are kept on file.

VAT is not to be applied to staff refreshments; gifts and resources for staff ie water coolers etc.

8 Accounting Periods

Returns shall be prepared in accordance with the historical cost convention. It is also important in assessing the effectiveness of the Trust's financial control arrangements that there is consistency of accounting treatment to allocating costs between income and expenditure headings on financial returns.

Year end accounts and returns shall be completed on an accruals basis. Thus income will be shown at the point when it is due to the Trust, whether or not it has actually been received and expenditure at the point when the relevant goods or services are received, whether or not payment has actually been made.

It is not correct to show on returns, including the annual accounts, values for goods which were ordered in the period covered by the return but had not yet been received by the Trust.

Financial Year	1st September to 31st August
Academic Year	1st September to 31st August
Academic Terms	
Autumn	1st September to 31st December
Spring	1st January to 30th April
Summer	1st May to 31st August

9 Trust development plan and budgeting

9.1 Budgeting

The board has a Trust development plan, which explains how it intends to use its resources to achieve its aims and objectives. A 3-year budget derives from this plan.

The plan takes account of:

- The educational priorities for the Trust.
- Likely demographic changes affecting pupils and staff.
- The building and repair maintenance programme.
- Repair and renewal programmes for furniture, fittings and equipment.

The plan is reviewed on an annual basis and updated in the light of new information and changed priorities.

The budget is constructed using the following processes:

- An estimation of income, including grant based on pupil numbers and other income such as income from lettings and catering.
- An estimation of staffing costs, based on a staff salary calculator and taking into account known appointments, retirements and rates of pay.
- An estimation of other expenditure based on service level agreements and likely cost trends based on pay and price inflationary indicators or other guidelines.
- The identification of potential savings.
- The allocation of curriculum budgets to departments, using a transparent formula to allocate funds equitably in line with need and Trust priorities.
- Managing planned levels of unspent balances – ensuring that the resulting annual surplus or deficit is in line with plans to recover from an overall deficit position, or build up unspent balances to fund future development plans.

The budgeting process starts at the beginning of the spring term each year. The Chief Financial Officer in liaison with Headteacher/Heads of School and the senior executive team draws up a draft 3-year budget for the following financial year. This is submitted to the Finance Committee for their review, discussion, and amendments if appropriate before presentation to the Board for formal approval, all assumptions must be set out. The budget forecast return and the 3-year budget forecast return are submitted to the ESFA by their specified deadline.

The Board must approve a balanced budget, which can draw on unspent funds brought forward from previous years. If an unplanned deficit occurs during the financial year, the Trust must notify the ESFA as soon as it is aware of this.

The budget can only be amended through virements after it has been approved by the Board and sent to the ESFA. Budget holders cannot exceed their budget allocation, unless they have the written approval of the Headteacher/Head of School for each Academy, in accordance with the Scheme of Delegation.

10 Budget Monitoring Reports

The Trust's budget monitoring reports display the following information in columns:

- The annual budget approved by Trustees profiled to match expected utilisation.
- The actual spend to date.
- Commitments.
- The percentage of the budget spent and committed.
- End-of-year projections.

A cash flow and balance sheet position including level of cash, debtors and creditors and key performance indicators are also provided to show the financial sustainability of The Trust.

The KPI's are set by the Trustees and confirmed in the Trustees Report of the Annual Report and Accounts.

- Cost of staffing as a percentage of income is below 88% in all academies
- The academy trust operates at a break-even position
- Academy outturns are measured to established budgets and variances investigated
- Operational costs as a percentage of income are less than 99% in all academies

The Chief Financial Officer carries out monthly reviews of actual performance against budget and provides financial reports and explanations for variances.

Individual Budget holders have access to their own individual reports showing budgeted expenditure, actual expenditure and commitments. A termly report is provided for them by the Operational Finance Assistants.

Financial monitoring report (management accounts) must be shared with the chair of trustees every month, and reports are uploaded to Trust Governor for Trustees to access at their convenience. Reports are regularly discussed at finance and risk committee meetings and with the heads of each academy. The latest accounts are always received by the board at each meeting.

11 Cash flow

The Chief Financial Officer is responsible for monitoring cash flow forecasts to ensure that the Trust has sufficient funds available to pay for day-to-day operations. If significant balances can be foreseen, steps are taken to invest the extra funds in accordance with the Investment Policy.

12 Accounting system and records

The Chief Financial Officer has prepared a business continuity plan that includes the actions the Trust would take in the event of loss of accounting facilities or financial data. This links in with the annual assessment made by Trustees of the major risks to which the Trust is exposed and the systems that have been put in place to mitigate those risks.

The Trust uses HCSS accounting system to record all financial transactions. Access to the system is restricted to the Trust's employees and those authorised by the Chief Finance Officer. The system is accessed by passwords, which are changed routinely. Passwords are only known by the relevant member of staff. Passwords are

changed immediately if an employee is aware that an unauthorised person has learnt their password. If an outside provider uses the computerised accounting system, they are given their own user id and password.

HCSS accounting is the UK's first cloud-based school accounting software designed exclusively for schools and Academies. It is completely online and allows "anywhere, anytime access". HCSS meets data retention and data protection requirements with information accessible for at least 7 years.

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 that are no longer employed by the Trust is removed as soon as the staff member leaves.

The Trust complies with the requirements of GDPR.

Alterations to any original documents such as cheques, invoices, orders and other vouchers are made clearly in ink and initialed. The use of correcting fluid or the erasure of information is not acceptable.

All accounting records including invoices, delivery notes, bank statements etc. are retained for six years, plus the current year, in a secure area. When storing documents electronically they MUST be saved to the Google Drive to ensure data security and retention.

12.1 Transaction processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual. All general journal entries must be documented on the appropriate general journal form, authorised by the Chief Financial Officer before being input to the accounting system.

The Chief Financial Officer obtains and reviews system reports to ensure that only regular transactions are posted to the accounting system. The reports obtained and reviewed include:

- BvAvC (BudgetvActualvCommitted) report summarising expenditure and income against budget at budget holder level.
- Amendment reports for payroll
- Purchase ledger and the sales ledger monthly reports

12.2 Reconciliations

The Financial Controller is 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.
- Petty Cash reconciliations
- All suspense accounts.
- Bank balance per the nominal ledger to the bank statement.

The Financial Controller signs a checklist featuring all tasks as confirmation of review.

13 Authorised signatories list

Two authorisation signatory files are operational, including Specimen signatures

- One file covers individual budget holders with allocations for the Financial Year, this is maintained with the support of the Central Financial Controller and held within the academy setting by the Operational Finance and HR/Admin assistant.
- A second file exists with high level signatories (bank, payroll), this is kept within the central team.

14 Employing and paying staff including expenses

Chief Finance Officer in consultation with the Accounting Officer is responsible for ensuring that arrangements are in place for the efficient, timely and accurate payment of staff in line with contractual responsibilities covering both pay and expenses.

The board of trustees must ensure its decisions about levels of executive pay follow a robust evidence-based process and are reflective of the individual's role and responsibilities. No individual can be involved in deciding his or her remuneration.

The board must discharge its responsibilities effectively, ensuring its approach to pay is transparent, proportionate and justifiable, including:

- * **process** - that the procedure for determining executive pay is agreed by the board in advance and documented
- * **independence** - decisions about executive pay reflect independent and objective scrutiny by the board and that conflicts of interest are avoided decision-making - factors in determining pay are clear, including whether performance considerations, and the degree of challenge in the role, have been taken into account proportionality – pay is defensible relative to the public sector market
- * **documentation** - the rationale behind the decision-making process, including whether the level of pay reflects value for money, is recorded and retained a basic presumption that non-teaching pay should not increase at a faster rate than that of teachers, in individual years and over the longer term understanding that inappropriate pay can be challenged by ESFA, particularly in any instance of poor financial management of the trust.

The Headteacher/Head of School approves all appointments, terminations and salary levels. This is in conjunction with an establishment structure approved by the Finance & Risk Committee. The Academies have established procedures to:

- Ensure personnel are competent, suitably qualified and trained to a level consistent with their responsibilities.
- Provide clear statements of criteria for personnel selection.
- Provide formal job descriptions.
- Ensure that the cost of all appointments, re-gradings and any other changes in conditions of service of staff can be met within the resources available to the Trust.

The Chief Financial Officer maintains a list of staff employed by the Trust and their current salaries, which has been authorised by the board.

Payroll Services

The Trust uses the services of a payroll agent 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 programs 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.
- Provision for access for Trust staff and auditors.

A payroll agent processes the staff payroll only on the written instructions signed by two signatories from the following authorised roles –

- Chief Executive Officer
- Chief Finance Officer
- Chief HR Officer

They do not process salary changes authorised by the person whose salary is changing. The Chair of Trustees must approve / authorize any changes to Headteacher/Head of School's salary and the Chief Executive Officer's salary. Signed documents minuted from the pay & review committee are used to support these changes with the payroll agent.

Payments are made by Bacstel by our Payroll provider as follows:

- Net payments to staff, to employees of the Trust.
- HMRC payments, to HMRC.
- Pensions payments, to the pensions authorities.
- Deductions to support employer schemes – Cycles Scheme, Childcare voucher schemes, Health care schemes and union payments

Payroll Errors

Payroll errors can result in under and overpayment of salaries. Should a payroll error be identified then steps should be taken to inform the employee affected immediately and ensure that future salary payments are corrected.

Working with the payroll provider the HR Team should –

- Identify the cause of the error
- Calculate the overpayment/underpayment amount
- Ensure future payments are correct

The HR Team should –

- Communicate the error to the employee. Full details should be confirmed in writing and should record how the error has occurred, what the impact is to them and give reassurance of what action is being taken to ensure future pay is correct.

If underpayment has been made – Confirm when money owed to employee will be paid, this will be determined by our payroll provider but should be made as soon as possible

If overpayment has been made – Ask for the employee to consider when they will be able to return the amount paid to them in error. All overpayments should be returned as soon as possible. Employees are able to make payments directly to the Trust by BACs transfer or if the employee agrees deductions can be made from their pay. If the employee is unable to return in full then terms can be agreed, these must be approved by the Chief Executive Officer and if over £1,000 must be reported to the Finance, Audit and Risk Committee. Every effort should be made for pay to be fully corrected within the same tax year. The maximum term of repayment that can be agreed is 12 months. Should the employee have significant financial difficulties and unable to agree to these terms the Trustees must be informed.

Travel, subsistence and other expenses

The Chief Executive with the support of the Chief Finance Officer and Chief HR Officer is responsible for maintaining procedures for the payment of travel, subsistence and other expenses and allowances in accordance with policies and standards agreed by the Board.

Delegated Authority for Approval of Claims

Within an academy setting

- line manager
- headteacher

where the line manager is the headteacher the finance officer will be required to sign.

Within the central team

- line manager
- CEO

Where the line manager is the CEO one other signature will be obtained either Chief HR Officer or Chief Finance Officer.

Signatures should be physical/wet signature. Completed forms should then be converted to PDF and emailed to the most appropriate Central Team HR Representative for payment to be processed via payroll.

The Chair of the Trustees will authorise the Chief Executive's claims.

Those signing expense forms MUST be satisfied that any journeys and expenses incurred were properly and necessarily incurred in the conduct of the organisation's business, represent value for money and are in accordance with the relevant policies and standards approved by the Board.

All claims for reimbursement of expenses incurred should be submitted on a regular basis at periods of no more than 3 months. Claims of high values should be submitted monthly. Claims submitted more than 3 months after the expenses were incurred shall only be paid in exceptional circumstances on the authority of the Chief Executive. Claims must be submitted by the agreed timescales at the end of each financial year.

Monthly procedures

- The Central HR team completes standing data amendment forms and summarises overtime worked, starters and leavers, contract amendments, Maternity leave, sickness and deductions.
For academies The Headteacher/Head of School ensures that expenses, overtime and casual hours have been validly incurred and authorises them, for the Central Team the CEO has this responsibility. Claims are not returned to claimants after this check has been carried out.
- The HR Central Team checks the payroll reports received from the payroll agent to ensure that it is only paying its own staff at the correct rates. Payroll is reviewed in detail against the individual standing data forms.
- The Financial Controller completes a previous month payroll comparison check and any variance of pay is highlighted. The CFO signs off this report.
- The payroll agent must receive approval from 2 of the 3 signatories –
 - * Chief Executive Officer
 - * Chief Finance Officer
 - * Chief HR Officer
- Confirming net pay totals of each individual Academy budget or Central Team budget.
- Payment outputs are reviewed by the Chief Financial Officer and processed by the Chief HR Officer and Finance Controller.
- A monthly print-out of amounts paid to employees is retained by the Trust and signed/dated by Chief Financial Officer as evidence of the checking and authorisation procedure.
- The Chief HR Officer and Headteacher/Head of school checks gross pay as per the payroll to personnel records annually.

See [Appendix 16](#) for more guidance on Expense claims

Personnel Files

Access to personnel files are restricted to the Headteacher/Head of School, Trust Human Resource Manager, the Central HR Assistants and Finance Controller, the payroll provider, our auditors and the Chief Financial Officer.

IR35

No individual is treated as 'self-employed' without the clearance of HMRC and a CEST put in place.

Severance Payments

Staff severance payments should not be made where they could be seen as a reward for failure, such as gross misconduct or poor performance. The only acceptable rationale in the case of gross misconduct would be where legal advice is that the claimant is likely to be successful in an employment tribunal because of employment law procedural errors. In the case of poor performance, an acceptable comparison would be the time and cost of taking someone through performance management and capability procedures. ESFA approval is required for any

proposed individual staff severance pay is over £50,000 as stated in The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook).

15 Purchasing

The Trust is committed to ensure that all spending and buying decisions are in accordance with the principles of 'best value' probity and accountability.

- Probity – it must be demonstrated that there is no corruption or private gain involved in the contractual relationships of the Trust;
- Accountability – the Trust is accountable for its expenditure and the conduct of its affairs;
- Fairness – that all those dealt with by the Trust are dealt with on a fair and equitable basis.

The Chief Finance Officer in conjunction with the Accounting Officer is responsible for establishing, implementing and maintaining procedures for the ordering, choice, receipt and payment of all goods and services.

The Board on the advice of the Chief Finance Officer will specify and periodically review:

- the authorisation limit for entering into contracts and obtaining goods, works or services for the Chief Executive above which the Chair or other member of the Board must counter-sign
- the maximum authorisation limit the Chief Executive can delegate to staff for entering into contracts and obtaining goods, works or services
- the thresholds above which quotations must be sought or formal competitive tendering arrangements put in place.

The limits and thresholds will be set out in the Scheme of Delegation. Contracts and orders for goods and services from individual suppliers must not be split or otherwise issued in a way that is designed to circumvent the specified limits and thresholds.

Contracts are placed on a competitive basis and the reasons for selecting a supplier are minuted. The health and safety competence of contractors is assessed.

Only contractors registered with their professional or trade association are employed to carry out major work at the Trust.

Contracts for services such as legal advice, bid writing, auditing services and compliance support will be reviewed internally annually. Should there be no considerable change in cost or scope and the service is still meeting the needs of the Trust the contract can continue. Every 3 years a full market evaluation is undertaken. Consideration will be given in respect of how important the continuity of services is, some services may need to continue across years and moving to a different provider may not be possible. Details of each individual evaluation will be kept on file.

A register is kept on our asset management information system which details all major contracts in place for the Trust and stores a copy of the latest contract issued. This system records the contract in place, details the contract term, start and end date thus aiding review, supporting renewal and our tendering process. See [Appendix 14](#) for list of contracts and indemnity register.

15.1 Approved suppliers

The Chief Financial Officer maintains a database of approved regular suppliers.

Requests for new suppliers or change of supplier details have to be submitted to the Central Team using the form, [Appendix 18](#). The person requesting the supplier is required to sign form, the finance system is updated once control checks are completed by the financial controller. Should the financial controller require the changes the Chief Financial Officer reviews and signs form to give authority.

Suppliers are selected on the basis of their capacity to provide quality, quantity, service, timely delivery and price competitiveness. Volume discounts and credit terms are taken into account. Consortia will be used where they provide value for money.

Suppliers are selected from:

- Business directories.
- Trade journals.
- Supplier catalogues and mailshots.
- Information from other academies.
- Tender Systems
- Information provided by the ESFA.

15.2 Tendering

All purchases with a value of £50,000 or more are put through a more formal tendering process. The Trust advertises throughout the member states of the European Community where there is a legal requirement to do so. Where appropriate, the suppliers invited to tender are drawn from the approved list maintained by the Chief Financial Officer. See the competitive tendering policy for more details.

Where required by the conditions attached to a specific grant from the DFE/ESFA, the relevant body's approval is obtained before accepting a tender.

The following tendering procedures are followed:

- The budget holder prepares a specification, which is authorised by the Headteacher/Head of School and sent to at least three suppliers.
- The invitations to tender include:
 - * An introduction/background to the project.
 - * The scope and objectives of the project.
 - * Any technical requirements.
 - * Implementation details for the project.
 - * The terms and conditions of the tender.
 - * The form and date of response to the Trust, and process for award.
- The reasons for accepting a particular tender are in accordance with the Trust's best value policy.
- Suppliers: the following points are considered when deciding which tender to accept:
 - * Qualifications, technical ability and experience.
 - * Pre-sales demonstrations.
 - * After sales service.
 - * Quality procedures.

- * References from existing customers.
- * Financial status.
- * Professional indemnity insurance.
- Cost: the following points are considered when deciding which tender to accept:
 - * Overall price.
 - * Unit price for parts of the product or service.
 - * The possibility of 'hidden costs'.
 - * Scope for negotiation.
 - * Quality
 - * Social or Goodwill value

Further information and guidance is given in the Competitive Tendering Policy.

15.3 Quotations

Quotations are obtained as follows:

- Purchases up to £999 – catalogue price lists, at least 1 verbal quote.
- Purchases of £1,000 to £2,999 – 2 verbal quotes, 1 written if possible
- Purchases of £3,000 to £49,999 – three written quotations.

The Trust keeps a record of suppliers who have been contacted but who have declined to provide a quotation.

A Value for Money VfM statement should be included to support decision made when evaluating best value. See [Appendix 10](#). This form **MUST** details reasons for decision made. Nil returns are not acceptable.

A decision not to obtain quotations in line with above can be made during times when timescales are an issue and business continuity or safeguarding could be impacted. Also when it is necessary to use a preferred supplier/contractor. Preferred suppliers are chosen for a number of reasons such as they have prior knowledge of equipment onsite or the Trusts procedures and needs are understood, or they have specialist knowledge. The Estates Manager keeps a list of preferred contractors / suppliers.

15.4 Purchase orders

Computerised, pre-numbered orders are used for all goods and services and all orders are placed through the Operational Finance and HR/Admin assistant.

Orders are only made by telephone in exceptional circumstances and then confirmed in writing. A copy of any spoiled order is retained on the computer, and marked as such. Official Trust orders are not generated for the private use of individuals.

15.5 The Ordering Process

- The budget holder raises requisitions.

When a **form format** is used, all areas of the form should be considered and completed before passing form signed by the budget holder and all supporting evidence to the finance officer.

When our **electronic format** is used, all areas are to be completed, evidence uploaded and submitted. The purchase requisition is then checked and approved by the person responsible – finance officer or finance controller.

A Purchase Order is then generated.

Requisitions **SHOULD NOT** be made without adequate budgetary provision, without prior consultation with the Headteacher/Head of School or Chief Finance Officer. All purchase requisitions **MUST** be dated prior to date of invoice.

Approval as per the Scheme of Delegation levels must be adhered to.

- The budget holder sends the requisition to the Operational Finance and HR/Admin assistant who check
 - * If the supplier is a related party and reports immediately to the CFO, FC for instructions on how to proceed. Monthly related party reports are required as part of month end procedures so spend as a whole Trust can be monitored as they mustn't exceed that agreed in the contract approved by the ESFA.
 - * Best Value has been undertaken
 - * That the budget holder has sufficient funds for the purchase.
 - * Budget holders should not proceed with purchasing using a Trade Card/Fuel Cards without prior authorisation signature in place by line manager. This is required for each transaction. These cards are held securely in the academy safe.

[Appendix 13](#) gives guidance and flow chart.

All associated evidence is scanned to the system.

- Budget cost centres with large allocations are allocated to senior members of the Trust, the Headteacher/Head of School and The Estates Manager.
- The Operational Finance and HR/Admin assistant generates an official computer order and the order is processed.
- It is acceptable for some budget holders to give authority for Operation Finance Officers to sign orders on their behalf as long as a signed purchase requisition is in place and that the order is for less than £1,000. See the signatory list in each school for confirmation of these budgets.
- The computer records all orders placed that have not yet been invoiced.
- Cancelled orders are marked as such, with the reason for cancellation, and retained by the Operational Finance and HR/Admin assistant.

See [Appendix 5](#).

15.6 Non orders

Official order requisitions from Budget holders and an order processed on the management information system is a requirement for the purchase of all goods or services.

Non-Orders are acceptable only for transactions made using company debit cards, multi-pay cards, petty cash and direct debits from the bank account – when the Non-Order function is used a Purchase Requisition or a Petty Cash transaction form must still be obtained to support each transaction.

The Scheme of Delegations authority levels must be followed and authorisation obtained for all transactions.

15.7 Receipt of goods

- All goods received are delivered to the budget holder who carries out a prima facie check to ensure that the delivery is complete and signs the invoice to confirm.
- If the delivery is only partly fulfilling an order, the budget holder notifies the Operational Finance and HR/Admin assistant that maintains a record of this.
- The Operational Finance and HR/Admin assistant follows up any shortages or defective items with the supplier.
- The Operational Finance and HR/Admin assistant records shortages or defective items in a central goods returned file.

15.8 Purchase invoices

- The Operational Finance and HR/Admin assistant date stamp invoices received and record invoices on the computer as soon as they are received by the Trust.
- The Operational Finance and HR/Admin assistant stamps the invoice with an official authorisation stamp that has areas for signature by the budget holder to confirm Goods received, Invoice checked/authorized and detailing the cost centre and passes it to the budget holder for approval.
- Approval as per the Scheme of Delegation levels must be adhered to. The invoice is always signed by different signatory to that present on the Purchase Req/Purchase Order.
- The Operational Finance and HR/Admin assistant checks the invoice against the order and delivery note. Any delivery notes that are received should be scanned along with the signed invoice and uploaded to the system then authorises.
- Where invoices do not match purchase requisitions/orders evidence showing scrutiny and checking of correctness is required to be kept on file prior to processing of payment. Finance officers should keep separate records for orders where quantities may change due to their nature – ie Supply agency bookings and residential trips.

See [Appendix 5](#).

15.9 Payment of invoices

The Central Finance Officer and the Financial Controller reviews the creditors' ledger regularly and selects invoices for payment.

It is the policy of the Trust to pay all invoices by the due date and to take advantage of any discounts available for early settlement where this is to the Trust's advantage.

Invoices are paid within the terms of payment unless they are disputed. The Trust usually requests 30 days payment terms, this is negotiated depending on the project cost to protect cash flow.

Payment is made when the Operational Finance and HR/Admin assistant has made the following checks:

- The purchase is recorded on the purchase ledger.
- The purchase represents valid Trust expenditure.
- Goods or services were ordered using the Trust's ordering policy.
- Goods or services have been received and checked to the order and delivery note.
- Payment has not already been made.
- Prices agree with quotations, tenders, contracts or catalogue prices.
- The arithmetic on the invoice is correct.
- The invoice has been correctly coded.
- Discounts have been taken where applicable.
- VAT is properly accounted for and not claimed on pro-forma invoices.
- Any change of Supplier Bank details are checked prior to raising all BACs run by the Financial Controller. A report is created that shows any supplier changes since the last BACs run, any changes have to be checked and report signed as approved by the appropriate Operational Finance Officers and counter signatory by HR/Admin Assistant.
- Disputed invoices should NOT be processed on the management system, Operational Finance should contact suppliers and contractors to resolve any issues immediately and Central Finance team should be made aware.

Two authorised signatories must approve the banking payment, having ensured that the budget holder has signed the order and that all of the Trust's procedures have been followed to authorise the invoice. The Scheme of Delegation authorisation limits must be adhered to.

See [Appendix 5](#) – The perfect order process.

BACS payment

All supporting evidence is uploaded to the financial management system for the financial controller to complete audit checks of selected expenditure, to give reassurance that financial controls and best practice have been applied by the Operational Finance and HR/Admin Assistant. The BACs run report is signed by 2 authorised signatories that must be different to the person uploading at the bank.

- Scanning of documents to HCSS must have been completed
- Authorisation and approval signatures must have been received.

The audit checks are indicated on the bacs report by ticking those invoices selected, tested and thus satisfied that the pre-checking process had been carried out by the Operational Finance and HR/Admin assistant.

15.10 Credit notes

Credit notes are attached to the relevant invoices when they are received.

15.11 Completeness of supplier balances

Invoices and credit notes are posted to the computer as soon as the Trust receives them.

The Operational Finance and HR/Admin assistant reconciles individual supplier balances to supplier statements, where available.

15.12 Controls over expenditure

Individual budget holders are able to authorise for goods and services up to £1,000 (for individual items) and within their budget. Exception to this is when direct use of Trade Cards/Fuel Cards is required for purchasing, transaction must always have authorisation to purchase signature from line manager is in place before cards are accessed from the safe and commitment to purchase is made.

Authorisations over this amount must be referred to the Headteacher/Head of School who can authorise expenditure up to £10,000 (for individual items) or the Chief Financial Officer or Chief Executive Officer who can authorise expenditure over £10,000 provided they have already been budgeted for.

The Scheme of Delegation confirms approval limits. In the event of an authorised person being absent authorisation is sought from the next level up.

15.13 Virements

Virements (internal transfers between cost centres)

- up to £9,999 may be authorised by the Headteacher/Head of School.
- Up to £30,000 may be authorised by the Chief Financial Officer and Chief Executive Officer.
- Up to £49,999, consultation is required with the Chief Executive Officer and agreement sought from the Finance & Risk Committee.
- Over £50,000 needs approval from the Board of Directors delegating authority to the Finance & Risk Committee who may authorise any virement of funds.

15.14 Budget holders

Budget holders are 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. Budget holders can be given a user login to access the management information system to allow viewing of the budgets allocated to them. Termly reports are distributed by the Operational Finance Officers.

16 Petty cash

Petty cash is used for the purchase of minor items, which have been budgeted for. The maximum balance is £400 for each academy. The float is only reimbursed from the main central bank account. The petty cash tin is held in a secured area.

Payments from petty cash are only made if there are sufficient funds in the budget and a till receipt or other proof that payment has been made is required. Each individual transaction or request should not exceed £50 in value. Only in extreme circumstances can petty cash be used to support expenditure of up to £100 and authorisation must be obtained from the budget holder and the Headteacher/Head of School.

Petty cash payments are subject to the same authorisation procedures as purchases/invoices. A petty cash slip to request monies is completed prior to purchase and receipts are dated after this request. [See Appendix 11.](#)

Official purchasing controls and use of supplier accounts should be used NOT personal accounts e.g. Amazon. This will allow for correct invoicing. The budget holder must sign and approve all petty cash slips before they are passed for payment. The person receiving reimbursement signs for the amount received. The budget holder is responsible for a receipt being obtained and every endeavor should be made to reclaim any VAT element.

Shopping personal incentive points and rewards should not be claimed by staff and should not be included on receipts.

The petty cash float is reconciled on a monthly basis by the Operational Finance and HR/Admin assistant or other member of the admin office. The reconciliation process is included in a month end checklist and authorised by the Financial Controller. The Financial Controller carries out a check of petty cash at least once a year.

In no circumstances are:

- Personal cheques cashed through petty cash.

17 Income

The board has overall responsibility for ensuring that all income due to the Trust is properly accounted for. Day-to-day responsibility for this is delegated to the Chief Financial Officer, who is responsible for designing, implementing and maintaining a system for the proper identification, invoicing, recording, collection of all income including grants due to the Trust. Income, including valuations for donated services and gifts in kind, is accounted for in accordance with the requirements set out in The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook).

Receipts are given for all amounts of non-grant income.

Electronic payments are preferred and this should be confirmed on our invoices and to our stakeholders.

Insurance – Maximum cover for cash on premises or in transit £5,000.

17.1 Use of Safes

Safes are used at all academies, keyed safes are to be used whenever possible, the keys of the safe should remain in the personal possession of those that have been issued them. The only exception to this is for the key safe at Manor Academy which is used solely to store Mini Bus keys. The key for this safe is stored safely within the combination safe which has restricted access. See [Appendix 15](#) for list of Safe Key Holders. Safe keys are not to remain unattended in key cabinets or anywhere within the working area. If a PIN safe is used the PIN must be changed termly. Safes should be located in a secured, non-communal area, somewhere that cannot be observed by visitors but within the working environment of those that require access.

To reduce the risk and amount of cash held on site regular banking or security collections are required.

Safes should only be opened when 2 people are present to witness safe deposit and secure closure of the safe. Only Safe Key Holders should access the safe.

17.2 Controls over incoming funds

Catering Income

The income received daily by the Catering department must be reconciled against the till receipts by the Catering Manager or Deputy.

The income is then taken to the safe for safe custody prior to banking.

- The income is signed for by person depositing in the safe.
- Two persons must be present to witness safe deposit. Money cannot be accepted when working alone.
- Receipt chart within the safe is updated.

Each week a banking paying in slip is completed and the income is handed over to the Operational Finance and HR/Admin assistant for banking.

The Operational Finance and HR/Admin assistant will reconcile the till receipts against the paying in slips totals.

Postal receipts

All incoming cheques and cash are recorded immediately and entries verified by someone other than the person who has made the entry.

Fund-raising events

Records are maintained for each fund-raising event, in sufficient detail to identify gross receipts and how they have arisen, and all costs incurred.

For all events for which there is ticket income or gate money, reasonableness checks are carried out to ensure the takings equate to the number of tickets issued multiplied by the price per ticket.

Similar records are maintained for sponsored events.

The gift aid scheme

To ensure that the charity receives all the money to which it is entitled, the Chief Financial Officer:

- Makes regular checks against records to ensure that expected amounts have been received from the donor.
- Ensures that in the case of gift aid donations from individuals, the tax reclaimable has been obtained from HMRC.
- Is careful not to over claim tax repayments.

Letting of Trust facilities

All lettings are subject to a letting agreement, setting out the terms and conditions of the Trust letting, including the agreed charge.

The Board, on the recommendation of the Chief Financial Officer, approves letting rates. Free use and charges below economic cost are not permitted.

- All hiring of Trust equipment and facilities is recorded in a lettings diary by the Estates Manager.
- The lettings diary is reviewed by the Estates Manager on a monthly basis to ensure that all lettings have been invoiced.
- When a letting is booked the hirer completes a hire form.
- The Operational Finance and HR/Admin assistant generates sales invoices from the computer.
- All monies are received at the end of each term.
- The Operational Finance and HR/Admin assistant receipts payments to the management system. Direct payments to the bank are preferred, if cash is received this is secured in the school safe and deposited to the bank as soon as possible. All receipts must be kept intact.
- The Trust ensures that relevant insurance is in place for each letting.

A separate Charging and Remissions Policy is available.

Trust trips

Information relating to the charges made for trips and visits is included in the 'Charging and Remissions Policy'.

A lead teacher must be appointed for each trip to take overall responsibility for the trip. A full costing of the trip must be carried out before financial commitments are made and the Headteacher/Head of School must approve this and the information shared with the Operational Finance and HR/Admin assistant. The lead teacher must also 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 Operational Finance and HR/Admin assistant.

All monies received for trips are paid to the Operational Finance and HR/Admin assistant or electronically via the online payment system. The Operational Finance and HR/Admin assistant is responsible for keeping adequate records of income and expenditure.

All receipts are banked intact.

The Operational Finance and HR/Admin assistant prepares a final income and expenditure account for each trip which has taken place and reports these to the Headteacher/Head of School. The Headteacher/Head of School ensures that money collected and expended for each trip is in accordance with the Trust's Charging & Remissions policy.

Private use of facilities

It is expected that should a member of staff use the Trust's facilities for private use (e.g. telephone calls) he/she should pay for that service and the money would be receipted by the finance team.

Invoices will be generated for private use of the photocopier.

Bad debts

The Trust chases all money due to it, which has not been paid within 30 days of an invoice being issued, by telephone, email, text and/or letter, depending on how much time has elapsed since the money was due to be paid.

If a debt remains unrecoverable after one year, or, if during the year, it becomes clear that the debt will remain unpaid, authority to write off the debt is as follows:

- Up to £999 – The Headteacher/Head of School
- £1,000 to £5,000 – Chief Executive Officer on advice of Chief Financial Officer
- Over £5,000 – Finance & Risk Committee

Bad debts are only written off when the Trust has followed all reasonable practical procedures to ensure their recovery.

The DfE/ESFA's prior approval must be obtained if debts to be written off are above the value set out in the annual funding letter/ The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook).

Debt escalation protocol – companies

- First statement sent if invoice remains unpaid after 30 days.
- Second statement sent if invoice remains unpaid after a further 14 days.
- Recovery letter sent if invoice remains unpaid for a further 14 days
- Referred to Finance & Risk Committee where appropriate at next available meeting if invoice still remains unpaid.

Debt escalation protocol – trip payments

- Memo to trip organiser of any debt outstanding after closing date of final payment.
- First letter home if trip organiser has not managed to contact parent after 7 days
- If payment is not received before the date of departure then the students will not be permitted to travel
- Recovery letter sent to parent recoup financial losses incurred by Trust due to default in payment.

18 Bank, payments and cash

18.1 Bank facilities

Only the board can authorise the opening or closing of bank accounts.

The Trust does not overdraw its bank account or arrange with its bankers for overdrafts, loans or any other form of credit or deferred purchases. The bank has been informed that the Trust is not allowed to borrow funds and

that no account should be allowed to become overdrawn. The Trust does not offer any security to the bank. All funds surplus to immediate requirements are invested in accordance with the board's investment policy.

The Trust holds separate bank accounts for public and private funds, and public and private funds are separately accounted for.

All cheques are held in the Central Office and only used in extreme emergencies. Cheques are not pre signed. All cheques drawn are crossed 'account payee only'. All chequebooks and other stationery are kept in safe.

All payments from the bank accounts by cheque must be signed for by the authorised signatories on the bank mandate. CEO, CFO, MThornton & RShields.

BACS Payment Authority method –

- BACS Report is to be audited by either - Finance Manager or Financial Controller and approved by CFO.
- Upload to bank by the Central Finance Officer – Only has authority to upload

Two authorised online banking signatories. The signatories are:

Chief Executive Officer / Chief Finance Officer / Finance Manager / Financial Controller

NOTE – the two authorised signatories **MUST** be different to person that uploads.

The Financial Manager maintains a Whole Trust list of signatories (including specimen signatures) for auditing of controls and internal scrutiny. Approval of this list is gained from the CFO annually.

All bank statements are filed sequentially.

The Trust has in place an annual calendar that schedules fortnightly BACs payment runs, usually at the beginning and middle of the month. This calendar is shared with all operational finance officers and the HR team so they are aware of the deadlines that supplier invoices and payment details are required by the Central Finance Team.

All payments made to employees **MUST** be supported by payroll services and payroll cut off dates are confirmed in an annual schedule.

Occasionally, for urgent one-off cases it may be necessary to raise payments outside of these schedules however the same financial controls remain in place, all supporting paperwork and signatures must be in place beforehand and presented to the Central Team when requesting if they can support. Payments **MUST** be by BACs and authorisation at the bank **MUST** be supported by the Central Team, with written evidence of support from Headteacher and the CFO.

Should an academy request support for payments to be made outside of the routine Supplier BACS runs or Monthly Payroll Cycle then the Central Team may charge a fee to cover the additional administration of this.

Faster payments are generally **NOT** used as a method of payment as they are irretrievable and more susceptible to fraud. BACs payments allow our central finance team time for reconciliation and reporting to be completed.

Should it be considered that a Faster Payment is necessary the following is required **in addition** to the normal BACS process –

Faster Payments Authority method -

Only the CEO can enable the processing of faster payments for urgent / extreme cases when the Trust has a duty to meet a payment deadline.

- This authority is to be given in writing.
- The CEO **does not** have online banking authority for Faster Payments.
- Gaining the CEO's authority does not allow the omitting of any controls and procedures in place but is in addition to these controls.

Faster Payments – Additional authority required –

The CFO informed of reasons why a Faster Payment is requested

The CFO approaches the CEO for written authority to proceed with a Faster payment

Evidence of written authority from both CEO and CFO is then passed to finance team to process.

Same process then followed for BACS with the addition of a test transfer of a pound needs to be organised and receipt confirmed by payee to check beneficiary is correct before the balance payment is made using the faster payments facility. This evidence must be seen by the CFO.

Central Finance Officer must see written evidence from the CEO and CFO before uploading to bank

Financial Controller complete checks of controls and accuracy of transaction

Online Banking Authority – two signatories required CFO and Financial Controller

(the CEO cannot be an online banking authority for faster payments and faster payments cannot be made without the Chief Finance Officer and Financial Controller to authorise online).

For all payments

The recipient of any payment should have **NO** involvement in the payment process.

They must **NOT** be involved in decision making, preparing payments, processing payments, authorising payments in any way.

The Chief Finance Officer should be made aware should there ever be a conflict of interest and they will ensure the transaction is suitably controlled.

18.2 Bank reconciliations

The bank account is reconciled on a monthly basis by the Central Finance Officer and the Financial Controller reviews all reconciliations, signing them as evidence of review.

18.3 Cash banking

Cash and cheques are locked in the safe prior to banking to safeguard against loss or theft. All cash is banked intact, without delay and recorded on paying-in slips. Bank paying-in slips show the split of cash and cheques and reference cheques to the related debt. Cheques are identifiable by reference names of the drawers and cash by reference to the payer.

The Operational Finance and HR/Admin assistant banks all cash and cheques. Unbanked receipts are kept in a safe to safeguard against loss or theft. In no circumstances do cash holdings on the Trust premises exceed the insured limit.

18.4 Government Procurement cards

Procurement cards are allocated on the understanding that the user adheres to the Trust regulations and makes appropriate use of the card as if they were handling actual cash. All transactions must follow the bank mandate and have 2 signatories per transaction.

The following procedures apply for the use of Government procurement card system:

- All procurement card purchases must be for the Trust and no personal purchases can be made.
- The Trust's cards will be charged to the Trust main bank account.
- Authorised users are established as approved by the board i.e. the Chief Financial Officer and the Operational Finance and HR/Admin assistant.
- Procurement cards must not be used for regular payments to creditors
- Each purchase is to be backed up by a receipt or internet confirmation of payment.
- Only secure websites must be used to make purchases
- If any purchases contain any charges for VAT; a proper VAT receipt or invoice should be obtained
- Each purchase must be authorised by the budget holder and by two bank signatories prior to the purchase being made. The Chief Financial Officer will not be one of the authorising signatories for purchases made with the Chief Financial Officer's card.
- Sales vouchers, invoices and requisition forms are checked by the finance team against the amounts entered and reconciled with the bank statements and credit card statements.
- The balance on the card is automatically paid in full each month.

Security of the Procurement Card

- All transactions to be recorded and authorised and entered onto the accounting software
- The safety of the card and PIN will be the responsibility of the named person.
- The PIN notification should be destroyed immediately following receipt and after memorisation.
- The card number will not be disclosed to any third party except for the purpose of a card transaction or to report the loss or theft of the card
- All procurement cards will be kept in the safe when not in use.

- If the card is lost or stolen or for any reason liable to misuse, the Trust must immediately notify the bank
- The Trust will provide the bank with all the information in their possession as to the circumstances of the theft, misuse, loss of the card or disclosure of the PIN number and take all steps deemed necessary by the bank to assist in the recovery of the missing card
- A card that is reported as lost, stolen or liable to misuse will not be subsequently used but will be destroyed by cutting it up into pieces and written confirmation of its destruction will be forwarded to the bank immediately.
- Cardholder will surrender their procurement card when the cardholder leaves the employment of the Trust.

18.5 Bank Multi Pay cards

Multi-Pay Cards are issued only to those who have

- Have responsibility for replenishing the Petty Cash Tin
- Have been allocated a budget and/or regularly make purchases on behalf of the Trust that cannot be supported by purchase order or petty cash.

A User Agreement is signed by all holders of multi pay cards. See [Appendix 4](#). These agreements are held by the Chief Finance Officer.

18.6 Fixed assets and Asset register

The Finance Manager & Estates Manager in consultation with the Chief Finance Officer is responsible for the design and maintenance of the asset register. The Trust will maintain details of all assets with a cost greater than £1,000, and 'attractive' items below that value, in the asset register. The purchase order value is taken into consideration when recording assets and not value of singular items.

The register records:

- Asset description.
- Asset number.
- Serial number.
- Date of acquisition.
- Asset cost.
- Source of funding.
- Expected useful economic life.
- Depreciation.
- Current net book value.
- Location.
- Name of member of staff responsible for the asset.

Assets should be capitalised and depreciated in accordance with the accounting statement & policy approved by the Board. See [Appendix 3](#). This statement will be maintained by the Chief Finance Officer and reviewed annually by the Finance and Risk Committee, with any changes approved by the Board.

Items used by the Trust but owned by others are included, with a note of ownership. Leased items are identified as such with the termination date of the lease.

The Chief Financial Officer will arrange for a physical check of all assets against the asset register at least annually. Any discrepancies are investigated and reported to the Headteacher/Head of School who must inform the board of any loss and any known reason for this. The insurers are notified as appropriate.

Any assets removed from the Trust site are recorded in a “loaning of assets record” book.

The length of time the asset will be off site is recorded together with the appropriate authority. The appropriate authority is the Chief Financial Officer. The Operational Finance and HR/Admin assistant checks that assets are insured before they are removed from the Trust. No assets are removed from the Trust for a period of time, which would unreasonably deny the Trust use of those assets.

All assets are security marked.

18.7 Disposal of assets

Disposals and write-offs of assets up to the value of £9,999 can be authorised by the Headteacher/Head of School. Items no longer required are sold when their estimated residual value exceeds £50. If value is higher the Scheme of Delegation must be followed.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Trust would need to ensure licenses for software programmes have been legally transferred to a new owner.

The following records are kept for disposals:

- The item disposed of.
- The date of disposal.
- The method of disposal.
- The proceeds of sale or how disposed of if scrapped.
- The person authorising the disposal.

No item is sold, leased or hired to a third party without the approval of the Chief Financial Officer.

18.8 Losses

All losses are reported to the Operational Finance and HR/Admin assistant who is responsible for reporting to the Chief Finance Officer. The Operational Finance and HR/Admin assistant informs the police if the loss is a result of burglary or theft and the insurance company is informed at the same time. Action is taken immediately to prevent further loss.

The Operational Finance and HR/Admin assistant maintains a record of losses and insurance monies received. The Scheme of Delegation is followed when writing off losses.

19 Leasing

The board is responsible for approving all operating leasing (rental) and hiring arrangements. No leased item is disposed of without the express permission of the leasing company. This includes sale, part exchange, scrapping, writing-off, donating, re-leasing, subletting or any other form of disposal.

The Trust must obtain ESFA's approval for the following leasing transactions:

- taking up a finance lease on any class of asset for any duration from another party
- taking up a leasehold or tenancy agreement on land and buildings from another party for a term of seven years or more
- granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party

20 Investments

Investments are made only in accordance with written procedures approved by the board.

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. See the Investments and Reserves Policy.

21 Appendix's

Appendix 1 – Trustee Statutory Duties

Appendix 2 – The Academy Trust Handbook (ATH, also known as the Academies Financial Handbook) Roles and Responsibilities as Handbook June 2020 (Review annually), including Academies Accounts Direction and Academy “Must Do’s”

Appendix 3 – Accounting Statement & Policy (Review annually)

Appendix 4 – Multi Pay Card Agreement

Appendix 5 – The Perfect Order Process

Appendix 6 – Financial Timetable

Appendix 7a & B - Monthly Monitoring Checklists

Appendix 8 - Top Slice Information

Appendix 9 – Version 5 update info

Appendix 10 – Value for Money Statement

Appendix 11 – Petty Cash Slip

Appendix 13 – Trade Card / Fuel Card Procedures for Cost Centre Managers

Appendix 14 – Indemnity Register

Appendix 15 – Safe Key Holders

Appendix 16 – Expense Guidance – to be developed

Appendix 17 – Mileage Claim

Appendix 18 – New Supplier/Customer Form

Appendix 19 – Salary Sacrifice Scheme Guidance

Other finance related guidance – See separate documents

Scheme of Delegation / Gifts & Hospitality Policy / Reserves & Investments Policy

Competitive Tendering Policy / Charging and Remissions Policy

Signatory Lists – Held in individual academy financial file

Appendix 1 Trustee Statutory Duties

Trustees must comply with the trust's charitable objects, with company and charity law, and with their contractual obligations under the [funding agreement](#). Company directors' duties are described in sections 170 to 181 of the [Companies Act 2006](#). Charity trustees' duties are described in the Charity Commission's [The essential trustee](#) guidance.

The trustees must ensure regularity and propriety in use of the trust's funds, and achieve economy, efficiency and effectiveness – the three elements of value for money. The trustees must also take ownership of the trust's financial sustainability and its ability to operate as a going concern.

The chair is responsible for ensuring the effective functioning of the board and has a vital role in setting the highest expectations for professional standards of governance and accountability for the board.

Find out more about the role of the chair: [Governance structures and roles](#).

Appendix 2 ESFA Guidance

Academy Trust Handbook 2024

The full document can be downloaded from the following webpage –

<https://www.gov.uk/guidance/academy-trust-handbook/academy-trust-handbook-2024-to-print>

Academies Accounts Direction (ADD) 2023 to 2024

The full document can be downloaded from the following webpage –

<https://www.gov.uk/guidance/academies-accounts-direction>

This guidance includes “**what an academy must do**”. These “**musts**” are as follows:-

- Prepare accounts for the academy trust’s financial year
- Ensure the content of the accounts complies with company law, charity law and the AAD
- Ensure a governance statement is included in the annual report, which provides a conclusion on whether the academy trust has an adequate and effective framework for governance, risk management and control
- Maintain adequate accounting records
- Have the accounts audited by an independent registered auditor, who will express an opinion on their content
- Ensure the accounting officer has made a statement on regularity, propriety and compliance
- Include an independent reporting accountant’s conclusion on regularity, as part of the accounts
- Submit the audited accounts, external auditor’s findings report and an annual internal scrutiny report to ESFA by 31 December 2024
- Provide a copy of the accounts to every member and to every person who is entitled to receive notice of general meetings
- Publish the full accounts on the academy trust’s website by 31 January 2025
- File the accounts with Companies House by 31 May 2025.

An [excel tool](#) is available to ensure compliance and is to be reviewed by the Finance and Risk Committee.

Appendix 3 Accounting Statement & Policy – to be reviewed annually

Background

The Academy Trust Handbook (also known as the Academies Financial Handbook) requires the Trust to adopt a set of accounting policies. The principal accounting policies adopted by the Board are set out below.

BASIS OF PREPARATION OF ACCOUNTS

The financial statements of the Trust, which is a public benefit entity under FRS 102, will be prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS 102)), the current Academies Accounts Direction issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

It is acknowledged that The Sovereign Trust meets the definition of a 'public benefit entity' under FRS 102.

GOING CONCERN TEST

The Trustee Directors will assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustee Directors will make this assessment in respect of a period of at least one year from the date of the authorisation for issue of the financial statements and will determine whether the Trust has adequate resources to continue in operational existence for the foreseeable future and whether there are material uncertainties about the Trust's ability to continue as a going concern; if satisfied, they will continue to adopt the going concern basis of accounting in preparing the financial statements.

INCOME RECOGNITION

All incoming resources will be recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- Grants

Grants will be included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period will be shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance- related conditions there is not unconditional entitlement to the income, its recognition will be deferred and included in creditors as deferred income until the performance related conditions have been met. Where entitlement occurs before income is received, the income will be accrued.

General Annual Grant will be recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period will be deducted from income and recognised as a liability.

- Capital grants will be recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant will be reflected in the balance in the restricted fixed asset fund.
- Sponsorship Income

Sponsorship income provided to the Trust which amounts to a donation will be recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- Donations

Donations will be recognised on a receivable basis (where there are no performance-related conditions), where the receipt is probable and the amount can be reliably measured.

- Other Income

Other income, including the hire of facilities, will be recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale will be included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it will be recognised in stock and “Income from other trading activities”. Upon sale, the value of the stock is charged against “Income from other trading activities” and the proceeds will be recognised as “Income from other trading activities”. Where it is impractical to fair value the items due to the volume of low value items they will not be recognised in the financial statements until they are sold. This income will be recognised within “Income from other trading activities”.

Where the donated good is a fixed asset it will be measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain will be recognised as income from donations and a corresponding amount will be included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust’s accounting policies.

EXPENDITURE RECOGNITION

Expenditure will be recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity will be allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity will be apportioned between those activities on a basis consistent with the use of resources. Central staff costs will be allocated on the basis of time spent, and depreciation charges allocated to the portion of the asset’s use.

- Expenditure on Raising Funds

This will include all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- Charitable Activities

This will include costs incurred on the Trust’s educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended will be shown inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more will be capitalised as tangible fixed assets and carried at cost, net of depreciation and any provision for impairment. This could be one item with a value of £1,000 or more or a group of items on the same order ie 10 chairs at £100 each would be considered an asset but chairs ordered singularly would not.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they will be included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants will be credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets will be charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets will be charged to the unrestricted fund.

Depreciation will be charged on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, as follows:

Asset Type	Depreciation %	Asset Life Span (YEARS)
Buildings	2% p.a. straight line	50
Plant & Machinery	20% p.a. reducing balance	5
Fixtures, fittings and equipment	20% p.a. reducing balance	10
Computer equipment	33 1/3% p.a. straight line	3
Motor Vehicles	25% p.a. straight line	4
Leasehold land	0.8% p.a. straight line	

Assets in the course of construction will be included at cost. Depreciation on these assets will not be charged until they are brought into use.

A review for impairment of a fixed asset will be carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses will be recognised in the Statement of Financial Activities.

Liabilities

Liabilities will be recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advance payments for the goods or services it must provide.

Provisions

Provisions will be recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions will be measured at the best estimate of the amounts required to settle the obligation. Where the effect of time value of money is material, the provision will be based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount will be recognised within interest payable and similar charges.

Leased Assets

Rentals under operating leases will be charged on a straight line basis over the lease term. The Trust is unable to enter into Finance Leases without consent from ESFA.

Stock

Unsold uniforms and catering stocks will be valued at the lower of cost or net realisable value.

Taxation

We are advised that the Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS will therefore be treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and will be updated at each balance sheet date. The amounts charged to operating surplus will be the current service costs and the cost of scheme introductions, benefit changes, settlements and curtailments. They will be included as part of staff costs as incurred. Net interest on the net defined liability/asset will also be recognised in the Statement of Financial Activities and comprise the interest cost

on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets will be recognised in other recognised gains and losses.

Actuarial gains and losses will be recognised immediately in other recognised gains and losses.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustee Directors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds will comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education & Skills Funding Agency/ Department for Education.

Critical accounting estimates and areas of judgement

Estimates and judgements will be continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Trust will make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within each financial year are set out below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March each year will be used by the actuary in valuing the pensions liability. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Appendix 4 Use of Multi Pay Cards and Authenticator Cards – If a Commercial Banking User – Yr 24/25

Cardholder's Terms and Conditions – User Agreement

1. Using the Multi-pay card

- 1.1 The cardholder is responsible for complying with the agreed spending limit for the card.
- 1.2 The cardholder must sign the card immediately upon receipt.
- 1.3 Expired cards, withdrawn cards or cards held by employees leaving the employment of The Trust must be returned to the Finance Officer of The Trust.
- 1.4 Cards must be stored safely at all times.
- 1.5 Cards can only be used in conjunction with the core purpose of the academy.
- 1.6 Documentary proof of goods purchased (VAT invoices), including details of best value assurance that support and evidence the transactions made by you and as listed on the monthly bank statement must be submitted to the appropriate card controller to process.
- 1.7 Shopping personal incentive points and rewards should **not** be claimed by staff and should **not** be included on receipts.
- 1.8 The monthly statement should be signed to confirm the expenditure listed has been made by you.
- 1.9 Personal expenditure and any other charge made to the multi-pay card that is not an approved exception may be deducted from the cardholder's salary on the next available payroll.
- 1.10 Purchase of alcohol as a gift is prohibited. Only exception is where it is to be used in religious services.
- 1.11 When using to replenish petty cash tin, cash line receipts must support the transaction.
- 1.12 Use of the card will be reviewed by the academy and The Trust on an ongoing basis. Any use of the card that does not comply with these terms and conditions may result in immediate cancellation of the card.

Security

- 1.13 The cardholder is responsible for the card and its use and any Personal Identification Numbers (PINs) and Security Codes issued.
- 1.14 The cardholder must not divulge the Personal Identification Number (PIN) and Card Security Number that accompanies the card to any other person.
- 1.15 The PIN issued for use with the card must be kept separately from the card at all times.

Lost or stolen cards, card details, and PINS

- 1.16 The cardholder must notify the Finance Officer of The Trust immediately if the card is lost, stolen or potentially misused.
- 1.17 The cardholder must also notify the Chief Executive as soon as is reasonably practicable.

2. Bank Authenticator Cards – For use with online banking.

- 2.1 Security passwords and PINS must not be divulged to anyone.
- 2.2 Cards and card readers must be stored in a secure place.

Cardholder Declaration:

NAME _____ CARD NUMBER ENDING (last 4 digits) _____

I am aware of my monthly Multi-Pay Card spending limit – * £_____ & cash limit if applicable - * £_____

*Card Holder to complete.

I confirm that I have read and understood these terms and conditions and I agree that I will abide by the provisions of this document. I understand that any fraudulent or negligent use of the card is a disciplinary matter that could constitute gross misconduct.

Signed _____ Date _____

Appendix 5 - Perfect Order Process : Purchase Requisition Form



APPENDIX 5

Purchase Requisition

CAPITAL SPEND
When processing an order that is not on the budget plan, Scheme of Delegation must be followed and request referred to the Central Team

Authorisation / Approval Limits As Scheme of Delegation Must be two different signatures			
Purchase Order		Invoice	
Budget Holder	£9,999	Budget Holder	£9,999
Head	£25,000	Heads	£25,000
CFO	£49,999	CFO	£49,999
CEO	£99,999	CEO	£99,999

<u>Supplier :</u>		Related Party Order		Cost Centre to be charged:	
		Yes	No		
Order Placed By:	Authorised By:	Date:	Check date of invoice		

The order must be authorised by the budget holder for the relevant cost centre e.g. class order – budget holder will be class teacher, PE grant – budget holder will be PE Coordinator

ISBN / Catalogue No.	Description Of Item	Unit Cost	Quantity	Total Cost
		£		£
		£		£
		£		£
		£		£
		£		£
	DELIVERY COSTS	£		£
Please ensure you have verified the costs centre balance prior to placing any order.		Total	£	£

Best Value Evidence – please tick the box that relates to the order, attach any evidence to the order form

Cost	Quality	Level of Service	Support	Speed of Delivery	Reliability	Preferred Supplier	Meet objectives
------	---------	------------------	---------	-------------------	-------------	--------------------	-----------------

Purchases up to	Required best practice
£1 to £999	Catalogue price lists, at least 1 verbal quote
£1,000 to £2,999	2 Verbal quotes, 1 written if possible
£3,000 to £49,999	Three written quotation

Scanned all evidence to HCSS

Create Purchase Order

Ensure date matches Requisition date

Date * 12/01/2021

Period * Period 5

Expected Delivery Date 12/01/2021

Best Value Evidence Cost x Speed of Delivery x

Supplier * YOR001 - YORKSHIRE PURCHASING

Supplier Address 41 INDUSTRIAL PARK, WAKEFIELD, WEST YORKSHIRE

Delivery Address * Manor Avenue, Sale, Cheshire M33 5JX

NETT: £167.52
VAT: £33.50
Total: £201.02

Enter both Catalogue Code and Description

Catalogue Code	Description *	Quantity *	Value *	Cost Centre *	Ledger *	Analysis	Fund *	VAT Code *	Nett Value	Discount(%)	VAT Value	Total	Action
101567	Exercise Book 8mm feint+margin 80 pages pack of 80 229 x 178mm blue	8	£20.94	EDART	4020		1	1	£167.52		£33.50	£201.02	

Confirm NET balances to Requisition form

NETT: £167.52
VAT: £33.50
Total: £201.02

Requisition must be attached to orders where applicable

Close Save Draft Submit

Appendix 5 Cont – Perfect Order Process : Operational Finance Flow Chart

**Perfect Order Process
Operational Finance Flow Chart**

Purchase Requisition

This needs to be completed by the budget holder or the person placing the order. The budget holders signature must be obtained before placing the order

CAPITAL SPEND

When processing an order that is not on the budget plan, Scheme of Delegation must be followed and request referred to the Central Team

Purchase Order	
Finance Officer	£1,000
	Applicable only for low level curriculum cost centres, as identified on the signatory list with the authority from the budget holder
Budget Holder	£9,999
Head / Deputy Head	£25,000
CFO	£49,999
CEO	£99,999

Please ensure you have verified the cost centre balance prior to placing any orders

Related Party Transactions

Who are our Related Party Suppliers? Last updated September 2023

Name of Supplier - **The Education Specialist**

Nature of their business - **Supply Agency.**

No Orders are permitted

NO ORDERS TO BE PLACED as ESFA approval not obtained

Name of Supplier – **CS Services**

Nature of their business – **Grounds Maintenance**

ESFA approval in place for year 2023/2024 annual spend less than £10k

Level of spend is to be monitored as a whole Trust and **MUST not exceed £10K**

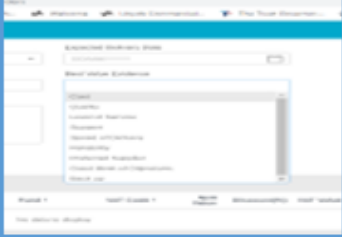
Date

Ensure the date is prior to the date on the invoice

Best Value Evidence

Tick the box that relates to the order, attach any evidence to the order

Cost	Level of Service	Speed of Delivery	Preferred Supplier
Quality	Support	Reliability	Meet Objectives



Purchases up to	Required best practice
£1 to £999	Catalogue price lists, at least 1 verbal quote
£1,000 to £2,999	2 Verbal quotes, 1 written must be obtained
£3,000 to	Three written quotation

Scan all evidence to HCSS

This is then recorded on HCSS

Invoice Processing

- The authorisation signature on the invoice should be different from the one on the requisition as the scheme of delegation states.

Invoice	
Budget Holder	£9,999
Head / Deputy Head	£25,000
CFO	£49,999
CEO	£99,999

- The date on the invoice should be the one you enter from the invoice
- The Vat amount should match the invoice
- The invoice should be scanned on to HCSS

Appendix 6 – Financial Timetable

Production of Monthly Management Accounts

The following shows a timeline from the start of the new month. Days are counted as term time days.

Action	Date to be Completed	Responsible
Reconcile Bank completed weekly and monthly statement to be fully reconciled by Day 3 of following month Run Month End Reports Complete & Submit the FO Monthly Checklist	Day 1-3	Operational Finance
Budget Changes/Scenarios to be uploaded to HCSS Finance	Day 1-5	CFO
Complete FC Monthly Checklist & Audit of Monthly Processes completed by Finance Officers Prepare VAT Return & Complete Final Check and Approval of VAT Claim	Day 4-6	Finance Manager & Financial Controller
Variances Sync'd to HCSS	Day 7	CFO
Submission of VAT Claim	Day 7-10	Central Finance Officer
Supporting appendix's to be created Variance Bank Reconciliation Cash Flow / Rec to HCSS Consolidated Balance Sheet / Consolidated Trial Balance Creditors / Debtors Produce Trust Wide Monthly Report	Day 7-10	Finance Manager & Financial Controller
Review of Management Report and all variances investigated	From day 10	CFO
Report produced & published to Trust Gov, shared with heads	By Day 20	CFO

Monthly Payroll Reconciliation

Once payroll is approved it is reconciled by the Financial Controller by the end of the month associated with the pay.

Budget Monitoring Reports

Distributed by Operational Finance and the following information is to be requested of the Budget Holder.

Autumn	Place purchase reqs for all annual commitments
Spring	Budget holders to submit requests for new budgets. < £1,000 information on any significant changes > £1,000 Budget plans required
Summer	Deadline for orders – End of May

Trustee - Finance & Risk Termly Meetings

Autumn	Finance Policy & Scheme of Delegation – Annually
Spring	Review KPI's – see section 10 Confirm accounts have been published online SRMSA Schools Resource Management Self Assessment to be approved for submission to ESFA
Summer	Budget Approval BFR – deadline end of August will be reported in the autumn term.
Every Term	Audit Points Monthly Management Reports Gifts & Hospitality Policy Renewal Calendar

Annual Calendar - Finance Team

When	Task	Responsible	DATE
Autumn	Support Year End Audit	All	Sept - Dec
	All orders and invoices relating to old year to be processed	Operational Finance Officers	11 th Sept
	August Month end to be completed	Operational Finance Officers	11 th Sept
	Year End Accruals and Prepayments forms to submitted to Central Team Along with asset register. If any changes after this date then Operational Finance to email Central Finance Previous years data will be provided.	Operational Finance Officers Operations Manager	11 th Sept
	Housekeeping – all orders transferred to New Year are to be checked Go to Transactions – Orders – Purchase Orders Action Drop Box to be used to remove any commitments not required. NOTE irreversible action.	Operational Finance Officers	By 11 th Sept
	Year End Final Checks Bank reconciled to correct year Unmatched receipts or payments (Check “on account” has zero value - Reports Aged Creditor/Debtor) All VAT claimed in correct year	Completed by Finance Manager & Authorised by CFO	13 th Sept
	Prelim Closure and New Year Opened NOTE – all posting to periods in old year MUST have been completed. August Management report must have been printed/completed	Chief Finance Officer	15 th Sept
	AUDIT MGT PT – IMPORTANT Final Bacs Payment to be run - The Year relevant to the period of payment is to be selected – this is usually the “NEW” year	Central Finance	15 th Sept
	Trial balance provided to Auditor	CFO/Finance SLA	By 15 th Sept
	New Year and New orders for Annual commitments to be entered.	Operational Finance Officers Operations Manager	18 th Sept
	Year End journals to be processed	CFO/Finance SLA	By End of Oct
Review Cost Centre spend	Operational Finance Officers Finance Controller Operations Manager	By end of term	
Spring	Year End Journals from Auditor to be processed on HCSS – Final Balance	CFO/Finance SLA	By end of term
	Petty Cash Reconciliation	Operational Finance Officers	30 th April
Summer	Budget Holder deadline for orders to be processed on HCSS	Operational Finance Officers Operations Manager	31 st May
	SLA's purchased for the New Year	Chief Finance Officer, Operations Manager	30 th June
	New Approved Budget Plans shared	Chief Finance Officer	31 st July
	All outstanding orders and invoices to be chased and processed	Operational Finance Officers Operations Manager	31 st July
	Budget Forecast Return (BFR)	Chief Finance Officer	31 st August
	Lettings, Out of Borough and Step Out Pupil Places	Operational Finance Officers	Start of Term
Every Term	Payroll Audit to Budgeting	Finance Manager	Start of Term
	Budgeting holders BaVaC review	Operational Finance Officers	Start of Term

Appendix 7a – Monthly Monitoring Checklists

FINANCE OFFICER Monthly Monitoring Checklist

The Sovereign Trust – Academy _____



Below is a list of financial preparation, to be completed for each month end.
Work should commence on working days 1-3 following month end.

It is expected that all supporting information and reports are uploaded to the relevant google drive folder using the format given and be available from day four.

Item	Monthly Monitoring Preparation	Please indicate action taken
1.	Input all invoices relating to that period on HCSS	YES
2.	Update the prepayment / accruals spreadsheet for any prepayments made in the period.	NONE or DONE
3.	Updated the asset register. <i>Assets with a cost greater than £1,000, and 'attractive' items below that value, in the asset register. The purchase order value is taken into consideration when recording assets and not value of singular items.</i>	NONE or DONE
4.	All Direct Debit payments posted on HCSS, (VAT claimed)	YES
5.	All debit card payments posted on HCSS, (VAT claimed)	YES
6.	Purchase orders all raised. Review commitments. Can any be closed?	YES/DONE
7.	All petty cash payments posted and reconciled on HCSS. All receipts received and scanned to HCSS. Detail any transactions over £50 this month here....	YES
8.	Review aged debtors. For any debtors are over 30 days a log of actions taken is to be included on the report. Tick if the following actions have had to be taken <i>as per our Finance Manual – Company Debts</i>	
	First statement sent if invoice remains unpaid after 30 days.	
	Second statement sent if invoice remains unpaid after a further 14 days.	
	Recovery letter sent if invoice remains unpaid for a further 14 days and is <u>to</u> reported to Central Team	
	If over 90 days Central Team to Refer to Finance & Risk Committee Full details of debt and communication required.	
9.	Review aged creditors. If any are over 30 days please investigate and confirm on the report why. <i>Check - Central tick box not been selected?</i>	YES
10.	Any Invoice received with NO VAT – information to be shared with Central Team and confirmation of IR35 must be on record before proceeding.	YES or NO

Item	Monthly Monitoring Preparation	Please indicate action taken
11.	Budget Holders Review of Spend – Review of BvAvC HCSS report - Tick as relevant action taken –	
	Monthly Review of BvAvC If overspend or small balances are remaining the Budget Holders are to be emailed with details of any <u>concerns</u> : - Under or Overspends are to be identified. - Small balances are to be identified. The budget cost <u>centres</u> that have been identified are to be highlighted on the report and actions taken recorded on the report for the Financial Controller to review.	DONE
	Autumn Term - September	HCSS Budget Reports given to budget holders and Purchase Req raised/chased N/A or DONE
	Spring Term - January	HCSS Budget Reports given to budget holders and Budget plans or requests for funding chased N/A or DONE
	Summer – Done End of April as final orders due end of May	HCSS Budget Reports given to budget holders and Deadline for orders to be given as end of May N/A or DONE

Item	Termly Tasks – to be completed in Months	September / January / May	Please indicate action taken and give additional details where possible
12.	Sales Invoices Raised - Out of Borough/Lettings/Step Out raised to period - <i>Should be done termly in advance. Details should be given if any are delayed and updates given each month</i>		N/A or DONE

Item	Annual Tasks – to be completed during Summer Term	
13	Petty Cash Reconciliation. <i>As per the Finance Manual the Financial Controller should reconcile the petty cash and sign annually.</i>	DONE

Checklist – Report Creation and Save –

All the following Month End reports should be available on Google Drive and saved using the following naming format:

- 1 - Aged Debtors – Month Yr
- 2 - Aged Creditors – Month Yr
- 3.1 - Petty Cash HCSS Expense report excel – Month Yr
- 3.2 - Petty Cash Month End Reconciliation Report PDF signed – Month Yr (Signed by FO and Admin)
- 3.3 – Petty Cash Month End Reconciliation Annual Report PDF signed – MAY Yr (Signed FC)
- 4 - BvAvC Report – Month Yr
- 5 - Monthly Monitoring Checklist PDF – Month Yr (this form once signed by FO)

Tasks completed and all reports available on Google Drive:	SIGNED by FO DATE
Reviewed By:	SIGNED by FC DATE

Appendix 7b – Monthly Monitoring Checklists

FINANCIAL CONTROLLER

Monthly Checklist & Audit

The Sovereign Trust – Academy _____

Month _____ 2023/2024



Below is a list of financial testing, to be completed for each month end. Work should be completed on working day 10 following month end.

It is expected that all supporting information and reports are uploaded to the relevant google drive folder using the format given and be available from day six.

Item	Monthly Checklist	Please indicate action taken
1	Advance Income to be posted as per remittances received. Top Slice Payment made to Period Check completed on HCSS and anomalies reported here....	YES
2	All BACs payments completed NOTE YEAR END - needs to be posted to HCSS Year Payment is made at bank	YES
3	Create the VAT126 report, audited and submit on HCSS. Approved signed version is to be made available to Central Finance Officer to claim. Email confirmation from HMRC is saved to Google folder. Confirmation reimbursement has been received and recorded on HCSS for Month _____ Posting Periods to be checked on HCSS	DONE
4	BACSTEL Reports Any reports received and action take to be documented here	YES / NO
5	Payroll Journals Processed to Period Control Account to be checked.	YES
6	Bank Reconciliation <ul style="list-style-type: none"> - Print Monthly Statement from online banking check fully reconciled to HCSS. - Produce HCSS reports - Trial Balance, Balance Sheet, Bank Rec, Trust wide monthly management report 	YES
7	<ul style="list-style-type: none"> - Obtain Signature confirming reconciliation : Bank to HCSS - Audit of the Bank Reconciliation Transactions Report - Postal Bank Statement to be scanned and passed for signature 	DONE
8	Postal Statement not received until mid month – signed copy to be placed in google	
9	Cash flow & Reconciliation reports created for the period	YES
10	Variance Report for the period created	YES

Item	Weekly Auditing	Please indicate action taken
11	Bank Reconciliation <ul style="list-style-type: none"> - Weekly reconciliation to online statement reports to be printed from bank. Co-Ordinate journal creation with local finance officers. 	YES

Item	Monthly Auditing	Please indicate action taken
12	Review Finance Officers Monthly Checklist Any comments need following up _____ Check Creditors <ul style="list-style-type: none"> - Any Creditors over 30 days check that FO's have sent reminder. - Any Creditors over 60 days needs to be shared with the CFO Check Debtors <ul style="list-style-type: none"> - Any Debtors over 30 days check that FO's have sent reminder. - Any Debtors over 60 days needs to be shared with the CFO 	Form signed by both FO/FC
13	Review of commitments at each academy To be actioned – January & June Those orders queried with academies should be noted here –	Jan & June
14	Invoices processed over the value of £10,000 should be checked that delegated authorisation levels have been followed. Supporting evidence to be available on HCSS. Any findings to be reported here and fed back to team –	NONE or DONE
15	Any new postings on the <ul style="list-style-type: none"> - Asset Registers – Sypro to be updated - Prepayments and Accruals 	DONE
16	Petty Cash Auditing Any transactions over £50 delegated levels to be checked. All supporting information to be available on HCSS	YES
17	Any correction journals processed and reason	YES / NO
18	Any IR35 CEST (Check Employment Status for Tax completed. Supplier/contractor	YES / NO

Item	Termly Auditing	Please indicate action taken
19	Payroll – Reconciliation to Budget Details of queries and whether resolved	YES

Monthly Monitoring Sept 2023 V5 -FC

Appendix 8 – Central Services & Top Slice Information – 24/25

Finance

- Compliance & Statutory Responsibility
- Audit
- Strategic Financial Management and MIS (HCSS)
- Financial Best Practice - Team Support / Training / Policy & Guidance

HR

- Strategic Workforce Planning
- Policy and Procedures
- Employment Legal Advice
- Payroll / Admin Services / Recruitment & access to Trust Wide Advertising Platform (alternative to Greater jobs)
- Staff Wellbeing
- Management Information & Development to continue with HR Mgt System
- Appointment Safeguarding checks / SCR

Estates

- Project Management
- Capital Bids / Tendering / Best Value
- Management of Cleaning / Catering External Contracts
- Asset Recording & MIS provision (Sypro)
- Land & Building Statutory Returns
- Health & Safety

IT

- Strategic Planning
- Project Management – Internet / Communication Systems / Cloud based
- Management of Technical Support provider
- Management of Equipment Design / Purchase / Installation
- Provision of Trust Wide Management Software
Arbor/CPOMS inc Staff Safe/The Headteachers Report (formerly iAbacus)/Safeguarding/Website/The Key/HCSS/GDPR Data Protection/Sypro/Adobe Sign

Other areas –

Governance is the remit of our Board of Trustees Clerk and our Chief HR Officer

Risk Management is managed by the CEO and supported by the Exec Team

Top Slice for Year will remain at 6%.

The top slice will be applied to all pupil placement income –

GAG / LA advances / PRU Income / Out of Borough Placement / Step Out Placement

Top slice is **NOT** applied to any other income, for example specific grants, Teacher Pension and Pay grants, Pupil Premiums, Covid Grants, Bursary Income, Lettings or Outreach SLA Sales Income.

Appendix 9 – Record of changes

Version 7

Roles and Responsibility Section Reviewed to match SOD

HR Manager / Operations Director now included

Monthly monitoring Checklists included appendix 7

Asset recording levels

Appendix 4, 5 & 6 reviewed & 10, 11 & 12 , 13 New

Multi Pay T&C's / Purchase Req Template / Financial Timetable – includes checklist – reviewed
Petty Cash, VFM & General Guidance for all staff new
Trade Card / Fuel Card Procedures Flow Chart

Section 18 bank and cash – urgent payments

Lifespan of assets included

Audit recommendations

– petty cash/multi pay no reward points, cash receipts required

No purchase of Alcohol – under any circumstances.

Ensure academy supplier accounts are used ie Amazon

Gifts and Hospitality level increased to £25 – purpose should be that of recognition of achievement. Academies should consider alternative funding where possible.

Additional signature when using Trade Cards – new appendix 13

VFM form included and details of use

Evidence to support invoices that don't match PO's needed.

Non-VAT invoices should be reported to Central Finance and CEST determination in place prior to processing payment.

Use of safe inventory register lists to be used

Non-Order guidance reviewed

Financial Calendar reviewed – End of Year timescale

Top Slice – detailed for 22/23

Value for Money Statement

Value for money statement should be completed if procurement procedures have not been followed as

Purchase up to	Required best practice
£1 to £999	Catalogue price lists, at least 1 verbal quote
£1,000 to £2,999	2 Verbal quotes, 1 written if possible
£3,000 to £49,999	Three written quotes

stated in the financial handbook.

School	
Service / Resource procured	
Contractor	
Cost	
Reason for not following the Scheme of Financial Delegation	

Signature	Date

Appendix 11 – Petty Cash Slip

Petty Cash Expenditure Form

To be used from Sept 2022


Petty Cash Transactions and Reimbursements can only be processed by those in a Finance Officer Role at each Academy
– Central Team must be contacted to support at times of absence

Requisition and approval of spend from budget holder is required prior to purchase and a till receipt, ideally a VAT receipt or other proof that payment has been made is required.

Payments from petty cash are only made where our procedures have been followed and subject to sufficient funds being available in the budget.

Each individual transaction or request should not exceed £50 in value. Only in extreme circumstances can petty cash be used to support expenditure of up to £100 and authorisation must be obtained from the budget older and the Head Teacher/Head of School.

- This requisition form must be completed and authorised by the relevant budget holder, prior to purchases being made, failure to do this may result in loss of personal monies.
- Receipts must be only for school purchases, if mixed with personal purchases we will not be able to reimburse you.
- If VAT is charged, please check at point of purchase that the receipt is a full VAT receipt (e.g. ASDA receipts are not and need to be verified by Customer Services at point of purchase).
- All invoices must be addressed to The Trust
- Deliveries can be made to alternate addresses but invoices need to be addressed to the Academy/Trust
- **NO ALCOHOL**
- Gifts must be for appraisal/incentive purposes, **MUST NOT** exceed £25 and **MUST** have Headteacher/Head of School authorisation.

Cost Centre :		Ledger Code :		Budget Holder Approved Signature :	
HCSS : Date		Supplier :			
Receipt Received : YES/NO		Dated :		VAT Yes / No	
Amount Spent :		£	VAT	TOTAL	
Requested By :		Requested Date :			
Description of expenditure/reason					
NO ALCOHOL GIFTS ONLY AS REWARD UNDER £25.00 AUTHORISED BY HEAD					
NO POINTS NO PERSONAL ITEMS					
IF EXPENDITURE IS OVER £50 AUTHORISED BY HEAD					
Amount Taken :		£	Amount Returned :	£	
Received by :		Date Received :			
Authorised Signature required if over £50.00 / if Gift <£25 Head >£25 CEO					
*Transaction processed by Finance Officer or Headteacher *Please indicate with circle					

Appendix 12 – General Finance Guidance for All Staff – Year 24/25

The Trust has a Finance Procedures Manual in place, for the protection of all staff, to ensure that we meet the regulations set by the ESFA and use the public funds provided to us appropriately.

This appendix and information within is to supplement not replace our full policy that can be found on the intranet. The purpose of this guidance is to raise awareness of the financial procedures in place. All staff have a responsibility to protect the public funds available to the Trust. Having knowledge and understanding of the controls in place will ensure we are compliant on the finance regulations placed upon academies by the ESFA and enable our finance team to support you, preventing delays in processing orders and reimbursements for you.

The following points should be noted by all staff :-

Petty cash

Staff may purchase small/consumable items for school use and reclaim the cost from the petty cash held at your academy. Advance permission for expenses incurred must be sought from the budget holder prior to purchases being made. Receipts must be promptly presented to the Finance Officer and must clearly show the items purchased, VAT receipts should be obtained where possible. Signature confirming monies reimbursed and received must be kept. All reimbursements should be kept to under £50.00, authorisations from the Headteacher is required for anything over and will be reimbursed by **BACS**. BACS payments take 3 / 4 days to organise so please be mindful, ideally keeping your need for petty cash to a minimum. All receipts should confirm invoice as the Academy address for reimbursement to be made possible and should NOT include personal items.

Orders

An order is any item that makes a commitment to expenditure by the academy. This will include subscriptions, courses and services, as well as purchases of resources. A purchase requisition form should be completed and the expenses incurred agreed with the relevant budget holder. All purchase orders are then assigned to the correct cost centre and order raised by the Finance Officer. All orders have to be authorised and there are delegated controls in place that the Finance Officer has to adhere to.

All delivery notes of items received should be passed to the Finance Officer to be kept on file. All Invoices should be passed to the Finance Officer to arrange payment.

Best Value

Comparison quotes maybe required to determine best value of goods and service. It is important you seek support and guidance if you are not familiar with the purchasing of high value goods and services over £1,000.

Approval items

It is Trust policy not to accept goods sent for inspection purposes.

Internet use

Staff must never agree a school purchase or sale by email or on the internet.

Staff must not enter into contractual agreements with other organisations via e-communication.

Purchase requisitions and approval of all expenditure must be obtained and purchase transaction undertaken by our Finance team.

Use of academy address for personal business

It is often convenient for staff to arrange to have personal goods delivered to school. Our reception staff will endeavour to support staff with this however, please note:-

Although the school address may be used as a delivery address, it should never be used as the invoice address for any personal item.

In order to establish ownership of goods, most appropriate recipient and obtain relevant paperwork all mail not marked private & confidential is opened. We would ask staff not to use the school address if this is unacceptable to them.

Each Academy will review the amount of personal mail received to make sure it can be accommodated and isn't having a detrimental effect on the role of the office staff.

Important information that everyone must abide by:-

- **NO** Alcohol can be purchased using Academy funds
- Gifts to staff can only be organised by the Head of School / Headteacher, alternative funds should be used wherever possible.
- Please support your Finance Officer and obtain budget holder approval and supporting evidence that they require.
- All expenditure must be supported by receipts / invoice
 - * Personal rewards points **CANNOT** be included on receipts
 - * Receipts should not include any personal items

Not having a valid receipt could result in reimbursement not being made.

All budget holders and members of the senior leadership teams should familiarise themselves with the full policy.

Appendix 13 – Trade Card / Fuel Card Procedures for Cost Centre Managers

To be used from September 2022

Trade Card / Fuel Card Procedures for Cost Centre Managers



Budgets for your department set by the Trustees for this financial year will be distributed by your Finance Officers in the Autumn Term

You must not exceed your stated budget

All Trade Cards and Fuel Cards must be kept in the school safe, this is accessed by the Finance Officer and signed in and out by the user i.e. Caretaker / Site Manager

Every purchase must be made via the official purchasing system in order for school to comply with the ESFA regulations. A requisition form, signed by the cost centre manager passed to the Finance Officer who will enter your order on the system and return a copy of your original requisition to you.

Fuel Cards are linked to each Academy's mini busses when purchasing fuel, the receipt should have the registration number of the mini bus so that it can be matched

Trade Card Purchasing, all trade card purchases should follow the purchasing procedure with the additional step of getting it authorised by the Financial / Estates Controller

Any tools / equipment purchased via the trade card must be recorded on the Asset Register and be subject to regular independent verification. All equipment must be stored in a secure area at the Academy

All Trade Card / Fuel Card receipts for purchases made should have Vat receipts and signed by the staff member who was responsible for the purchase

Appendix 14 – Indemnity Register

Supplier	Contract Name/Description	Contract Expiry	Details	Responsible
Mellors	Catering Contract		With Legal Sept 2023	Estates Manager
Gas	Utilities Contract	2023	Contract in Folder	Estates Manager
Electric	Utilities Contract	2023	Contract in Folder	Estates Manager
Water	Utilities Contract	Annual	Contract in Folder	Estates Manager
Trafford	Cleaning Contract and all SLA's	Annually	Insurance Cert and T&C's in Indemnities Folder.	Estates Manager
GMPF	Pension Provider	N/A		Chief HR Officer
Teacher Pensions	Pension Provider	N/A		Chief HR Officer
SGW	Payroll Provider			Chief HR Officer
DataSpire	IT Management Contract			Chief Information Officer
Access	Finance Management Information System			Chief Information Officer
Arbor	Pupil Management Information System			Chief Information Officer

All Indemnity Evidence and Contract Information is saved to folder – G:\Shared drives\Exec Team\Contracts

Appendix 15 – Safe Key Holders

Named & Signed register is kept by the Finance Manager and reviewed annually.

Academy	Location	Name off Key Holder	Type of safe
The Sovereign Trust	No Safe on site	N/A	
Manor Academy	Safe No.1 Main office	2 named staff	Key Lock
Manor Academy	Safe No. 2 Outside Repo Room	2 named staff	Combination Lock
Manor Academy	Safe No.3 Outside Repo Room	2 named staff Key for safe is locked in the combination safe Exceptional circumstances agreed – SAFE ONLY used for MINI Bus Keys	Key Lock (key kept in the combination safe)
Pictor Academy	Safe No.1 Main Office	2 named staff	Combination Lock
Pictor Academy	Safe No.2 Heads Office	3 named staff	Combination Lock
New Park Academy	Safe No.1 Locked safe room.	3 named staff	Combination lock
Longford Park	Safe No.1 Repo room	2 named staff	Key Lock

All Keyholders are to be aware of the cash limit covered by our insurer is in place at £5,000. Academies SHOULD NOT hold above this limit.

Expenses Guidance – Appendix 16 of the Finance Policy – **to be developed**

1. ABOUT THIS POLICY

1.1 This policy deals with claims for reimbursement of expenses, including travel, accommodation and hospitality.

1.2 This policy applies to all employees. However, it does not apply to agency workers, consultants or self-employed contractors.

2. REIMBURSEMENT OF EXPENSES

2.1 We will reimburse expenses properly incurred in accordance with this policy. Any attempt to claim expenses fraudulently or breach this policy may result in disciplinary action.

- Expenses will only be reimbursed if they are:

- * submitted to the Central HR team on the appropriate claim form; **OR ARE WE TO USE MYSAM?**

- * submitted within 28 days of being incurred; Claims older than 3 months can only be processed after approval from the CEO.

- * supported by relevant documents (for example, VAT receipts, tickets, and credit or debit card slips); and

- * authorised in advance where required.

- * Approval and authorisation of payment obtained as per the scheme of delegation and guidance with the Financial Instructions Manual.

2.2 Claims for authorised expenses submitted in accordance with this policy will be paid directly into your bank/building society account via payroll.

2.3 Any questions about the reimbursement of expenses should be addressed to the Central Finance team before you incur the relevant costs.

3. TRAVEL EXPENSES

3.1 We will reimburse the reasonable cost of necessary travel in connection with our business. The most economical means of travel should be chosen if practicable. The following are not treated as travel in connection with our business:

- travel between your home and usual place of work;
- travel which is mainly for your purposes; and
- travel which, while undertaken on our behalf, is similar or equivalent to travel between your home and your usual place of work.

3.2 **Trains.** We will reimburse the cost of standard class travel by submitting a receipt with an expense claim form.

3.3 **Taxis.** We do not expect you to take a taxi when public transport is available unless it is cost-effective due to a significant saving in journey time or the number of staff travelling together. A receipt should be obtained for submission with an expense claim form.

- 3.4 **Car.** Where it is cost-effective for you to use your car for business travel, and you have been authorised to do so, you can claim a mileage allowance on proof of mileage. Details of the current mileage rates can be obtained from the Central HR Team. You can also claim necessary parking costs that a receipt or the display ticket must support.
- 3.5 **Air travel.** If you are required to travel by plane during your duties, you should discuss travel arrangements with the CEO and your Line Manager. The CFO should be notified in advance of any expenditure being incurred.
- 3.6 We will not reimburse penalty fares or fines for parking or driving offences other than at our discretion in exceptional circumstances.

4. ACCOMMODATION AND OTHER OVERNIGHT EXPENSES

- 4.1 If you are required to stay away overnight during your duties, you should discuss accommodation arrangements with the CEO and your Line Manager. The CFO should be notified in advance of any expenditure being incurred. Accommodation will usually be subject to an upper limit of £125 per night (outside London) or £225 per night (Inner London).
- 4.2 We will reimburse your reasonable out-of-pocket expenses for overnight stays, provided they are supported by receipts as follows:

	Breakfast	Lunch	Dinner
Day One	No	No	£15.00 - if not returning home before 8.30 pm
Day Two	£7.50 if away from home overnight	£7.50 if away from home overnight	£15.00 - if not returning home before 8.30 pm

- 4.3 The CEO must give written authorisation for any exception to this.
- 4.4 For the avoidance of doubt, subsistence claims for the consumption of alcohol will **NOT** be accepted. Receipts must be presented for all claims within the above limits.

5. ENTERTAINING CLIENTS

- 5.1 You may only entertain actual customers where your proposal and an appropriate budget have been agreed upon in writing with your Line Manager/Senior Leadership Team. Receipts must be submitted in full with your expenses claim. Refreshments must **NOT** include alcohol.
- 5.2 You must also ensure that the provision of any such hospitality in the circumstances complies with our Anti-Corruption and Bribery Policy.

Appendix 18 New/Change Supplier Customer Form

Appendix 18 – New Supplier Customer Change Form as part of the Finance Manual March 2024

New Supplier / Customer Change Form

Requester Details		
Academy:	Date:	Name:
Type of Request -		
Create New Supplier	<input type="checkbox"/>	Create New Customer
	<input type="checkbox"/>	
Change to Existing Supplier	<input type="checkbox"/>	Change to Existing Customer
Is Change		Is Change
<input type="checkbox"/> Address		<input type="checkbox"/> Address
<input type="checkbox"/> Contact Details		<input type="checkbox"/> Contact Details
<input type="checkbox"/> Bank Details		
Supplier / Customer Details		
Company Name		
Registered Address		Branch Address
Address line 1		Address line 1
Address line 2		Address line 2
City / Town		City / Town
Post Code		Post Code
Contact Name		
Contact Number	Landline -	Mobile -
Email Address		
Remittance email address		
VAT Number		
If no VAT confirm CEST is in place		
Bank Details – Supplier only		
Account Name		Payee Name
Sort Code	___ - ___ - ___	Account Number

If Change to Supplier Bank Details	Date verbally confirmed with supplier	___ / ___ / ___
	Contact name of who was spoken to	
Change of bank details needs to be confirmed by both email and a phone call – When contacting the supplier please use contact details sourced by yourself and not provided on correspondence detailing change.		
Any other information / Comments		
Signature required upon submission of form		DATE
		___ / ___ / ___
I confirm that the above Customer/Supplier is required and that all appropriate checks are in place for recording of VAT and payment to bank.		
Form Processed and HCSS updated Must be processed by different person to requester	SIGNATURE	DATE
		___ / ___ / ___

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Tel: 0161 532 3250 | admin@thesovereigntrust.uk | [@TheSovTrust](https://twitter.com/TheSovTrust)

Appendix 19 Salary Sacrifice Scheme Guidance

The only scheme in place within the Trust is the Cycle to Work Scheme.

To participate in any other Schemes, Trust approval must be obtained and the Scheme of Delegation and authorisation limits abided by. Should the Trust consider to offer the Electric Vehicle Salary Sacrifice Scheme the ESFA **MUST** approve.

Cycle To Work Scheme

- Applications are made by the employees using the portal/website - <https://help.cyclescheme.co.uk/article/37-how-to-join-the-cycle-to-work-scheme>
- Applications are received electronically to the Chief HR Officer. Appraisal of the applications should be completed and the following considered:-
 - * The amount of the application and package should be considered in relation to the employees pay. The total amount requested should be no more than 1 months take home pay (net pay).
 - * One application per employee is allowed at any one time.
 - * Total amount available to resource the scheme is £10,000, a waiting list will be put in place should all the fund be allocated.
 - * Terms should be over 12 months were possible, 24 months is the longest acceptable term.
- Once application is approved for employee via the portal:-
 - * An invoice is to be presented to the Finance Manager for payment to be organised.
 - * The Chief HR Officer is to co-ordinate deductions from salary with payroll.
 - * The Finance Manager is to report monthly to the Trustees the current balances and ensure all schemes in place are recorded and reconciled as part of payroll control. These details are shared with the Chief HR Officer routinely so that status of fund is understood.