



# Chiltern Way Academy Trust

Turning Futures Around

## **FINANCE POLICY**

**Responsibility for this policy (job title): Chief Financial Officer**

**Responsibility for its review: FPGP**

**Approved: 02.12.2020**

**Next Review Date: Autumn 2021**

## **FINANCE POLICY**

### PURPOSE

#### **Section 1: Organisation**

- 1.1 The Trustees
- 1.2 FP&GPC
- 1.3 CEO
- 1.4 CFO
- 1.5 Responsible Officer
- 1.6 Other Staff

#### **Section 2: Budgets**

- 2.1 Budget construction
- 2.2 Budgetary control and monitoring

#### **Section 3: Payroll**

- 3.1 Starters/variations/leavers
- 3.2 Time sheets
- 3.3 Checking of payroll data
- 3.4 Pay-related expenses
- 3.5 Supply teachers

#### **Section 4: Assets**

- 4.1 Inventory
- 4.2 Depreciation Policy
- 4.3 Off site register
- 4.4 Investments

#### **Section 5: Income**

- 5.1 Credit income
- 5.2 Cash income
- 5.3 Banking
- 5.4 Charging policy
- 5.5 Donations
- 5.6 Official capitation and School Fund income
- 5.7 Cash received from students
- 5.8 Security of receipt books and tickets

#### **Section 6: Purchasing**

- 6.1 Ordering
- 6.2 Quotations/tenders
- 6.3 Trustee involvement
- 6.4 Receipt of goods
- 6.5 Invoice check and authorisation

- 6.6 Petty cash
- 6.7 Credit Card
- 6.8 Bank Mandate
- 6.9 Banking

**Section 7: Register of Interests**

- 7.1 Persons to be included
- 7.2 Interests to be recorded

## GUIDELINES

### SECTION 1:

This document has been adopted by Chiltern Way Academy Trust's (CWAT) Board of Trustees, as the basis for the administration and management of finances. The aim of the policy is to create a framework within which individual members of staff, Trustees and other interested parties, can exercise financial management, probity and stewardship in an efficient and effective way.

This policy ensures that the Board of Trustees retains responsibility for the management of the budget, whilst providing a framework within which the Chief Executive Officer (CEO) can manage the budget on a day-to-day basis. It is essential that all parties are aware of their roles in the financial management of CWAT.

### Organisation

#### 1.1 The Trustees

The Trustees have overall responsibility for the administration of the Academy's finances, compliance with the Funding Agreement, Top-up Funding Agreement and the Academies Financial Handbook. The main responsibilities include:

- Ensuring the funding is used for the purposes intended.
- Approval of the annual budget.
- Appointment of the "Accounting Officer".
- Appointment of the Chief Financial Officer / "CFO" in conjunction with the CEO.
- Appointment of auditors.
- Review and approval of the annual report and accounts.

The Board of Trustees will manage and administer its affairs in accordance with high standards of Public Sector administration, based on a distinct set of values, the fundamental principles of which are: -

- **Openness** – an approach to all interested parties in the disclosure of information, that lends itself to necessary scrutiny.
- **Integrity** – this is best described as both straightforward processes and completeness.
- **Accountability** – the process whereby individuals are responsible for their actions and decisions.
- **Selflessness** – Board Members should act solely in the public interest and not in a way that is likely to confer financial benefits, preferential treatment or other advantage, on others.
- **Objectivity**– In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards or benefits, decisions will be made on merit.
- **Honesty** – Board of Trustees have a duty to uphold the law, and to act on all occasions in accordance with the trust placed in them.
- **Leadership**– those in leadership should promote and support the above principles by leadership and example, always acting in such a way to preserve public confidence in the Board of Trustees.

Board Members and MAT Management will have regard to: -

- The Education Funding Authority (ESFA) Academies Financial Handbook

- Minimum standards of financial management as set out in the DfE/Master and Supplemental Funding Agreements, including Financial Regulations and Contract Standing Orders.
- Advice and guidance relating to the financial performance of MATs arising from the work of Ofsted,
- Internal audit and external audit providers and other interested parties.

The MAT believes that staff should be able to raise concerns properly, in confidence and without prejudice to their personal position. Where appropriate, this will include an opportunity to raise concerns outside the line management structure, in accordance with CWAT's **Whistleblowing Policy**.

### **1.2 Finance, Personnel & General Purposes Committee (FP&GPC)**

Much of the day to day financial management and monitoring is delegated to the FP&GPC within the detailed terms of reference. The main responsibilities of the FP&GPC include:

- Review of the annual budget and proposal to Trustee Board for approval.
- Regular monitoring of income and expenditure against budget, including reporting of any significant budget amendments.
- Approval of: opening and operation of academy bank accounts; authorised signatories; transfers between accounts; operation of credit cards; payment system controls including BACS.
- Ensure compliance with the Finance Policy and Academies Financial Handbook.
- Ensuring the annual accounts are produced in accordance with the Academies Financial Handbook.
- Consultation on awards of contracts between £30,000 and £50,000.
- Ensure a strategic financial view of income, staffing, other expenditure and capital projects.
- Appointment of auditor and Internal Scrutiny officer.
- Review of reports from Internal Scrutiny officer on the effectiveness of the financial procedures and controls.
- Review of the annual report and accounts and recommendation for approval to the Members and Trustees.

### **1.3 Chief Education Officer**

The CEO is appointed as the Accounting Officer; the CEO has overall responsibility for the Academies, including financial activities. Much of the financial responsibility is delegated to the Chief Finance Officer but the CEO still retains responsibility for:

- Ensuring regularity and propriety.
- Ensuring prudent and economical administration.
- Avoidance of waste and extravagance.
- Efficient and effective use of available resources.
- The day to day organisation, staffing and management of the academy.

### **1.4 Chief Finance Officer (CFO)**

The Finance Director is appointed as the CFO. The CFO works in close collaboration with the CEO and is responsible to the Trustees FP&GPC and full board meetings.

The main responsibilities are:

- Day to day management of financial issues including staffing and operation of the finance system.
- The management of the academy financial position at a strategic and operational level within the framework of the Finance Policy and Academies Financial Handbook.
- Ensuring the annual accounts are properly presented and supported by the financial records and systems.
- Preparation of interim financial reports.
- Ensuring actions are in line with delegated financial responsibilities.
- Ensuring the required returns are sent in to the ESFA in line with timetables.

### **1.5 Internal Audit**

The responsible officer is appointed by the Trustees to provide the Trustees and FP&GPC with on-going independent oversight of the academies financial affairs and assurance that:

- The financial responsibilities of the Trustees are being properly discharged.
- Resources are being managed in an efficient, economical and effective manner.
- Sound systems of internal control are being maintained.
- Financial considerations are fully taken into account in reaching decisions.

### **1.6 Other Staff**

The finance team have specific responsibilities for the accurate maintenance of the academy finance systems, records and compliance with the Finance Policy and Academies Financial Handbook. The specific responsibilities are detailed in individuals' job descriptions. Budget holders have financial responsibility for managing within their delegated budgets and ensuring best value.

## **SECTION 2: BUDGETS**

### **2.1 Budget construction**

The CEO is responsible, with the CFO, for the detailed preparation of the annual budget. In doing this they will consult with other members of staff to ascertain detailed requirements.

The FP&GPC will determine the overall sum within which the budget must be set, and the amount of any anticipated balance to be carried forward into the following financial year.

In constructing the budget, the CEO and CFO must take account of priorities identified in the School Development Plan (SDP) and incorporate the costs of these in the budget. Priorities identified in the SDP must always be costed where possible.

The budget expenditure total must not exceed the amount of the income total plus or minus any balances brought forward from the previous year. If it appears that this cannot be achieved, the CEO and Chair of Trustees must inform the ESFA immediately this becomes apparent.

The FP&GPC must meet in the Spring term to consider a broad budget strategy, and again in the Summer term to consider and approve the detailed budget. The full Trustees must subsequently approve the full budget, and minute this approval. The approved Trustees' Budget must then be submitted to the ESFA in accordance with the timeline required.

In constructing the detailed budget, factors the CEO and CFO must take account of include:-

- Changes in student numbers, Buckinghamshire, Wokingham and OLEAs.
- Changes in overall and specific funding, including commissioned, locator, top-up and residential funding.
- Flexibility of use or ring-fencing of funding.
- Current and previous year's expenditure levels at individual budget heading levels.
- SDP priorities.
- Staff pay awards and increments.
- Anticipated price inflation.
- Changes in the staffing complement.
- Changes in the supply of services (gas, electricity, water etc.).
- Facilities development (including five year asset management plan and optimum schedule of accommodation.
- IT resources.

## **2.2 Budgetary control and monitoring**

The CEO and CFO are responsible for regular, detailed control of the schools' budgets. To achieve this they will analyse monthly reports from the school's accounting system. Such reports shall show, for each budget heading:-

- Total budget for year.
- Total commitment and expenditure to date.
- Variances.
- Management Accounts.
  - The CEO is empowered to take remedial action to address variances, by effecting virements between individual budget headings. Individual virements may be authorised as follows:-
    - Up to £30,000 - CEO.
    - 30,000 to 50,000 – FP&GPC.
    - Over £50,000 – Trustee Board.

All virements, once approved, must be promptly recorded in the school's accounting system to keep the approved budget up to date.

The CFO will present detailed budget monitoring statements to the FP&GPC each term, such statements shall show for each budget heading:-

- The financial performance and position of the trust
- Budget variance reports
- An income and expenditure account
- A cash flow and balance sheet

Monthly management accounts will be posted on Governorhub.

The FP&GPC shall consider such statements; the CFO will provide explanations for any significant variances identified. The Chair of the FP&GPC, supported by the CEO and CFO, shall report to each full Trustee Board meeting, identifying any significant budgetary issues and any remedial action taken or needed, and any policy decisions needed.

The CEO may assign budgetary control of individual budget headings to other members of staff (e.g. DoS, Head of Campus, Deputy Head and Assistant Heads, CFO, Heads of Department and subject leaders).

Such members of staff must control their own budget area, control equipment and stock, receive regular budget statements and submit an annual report and funding request for the department based on perceived need and prioritisation of objectives based on the departmental improvement plan. This should include a profile of anticipated spend. The CEO remains ultimately accountable to the Trustees for all budget headings.

All staff must contribute to best value and the efficient running of the school by maximising efficiency and minimising waste (e.g. heating, lighting and telephones).

All staff should ensure that they take good care of all school facilities, equipment and resources.

Teachers should ensure that students are properly prepared for all exams and qualifications for which they have been entered.

Payroll expenditure data must be entered promptly each month on the school's accounting system.

Other, non-pay, expenditure must be reconciled promptly on a monthly basis to the school's accounting system by the finance team.

When the accounts for each financial year are closed, a final statement from the school's accounting system must be presented to the next meeting of the FP&GPC.

A Statement of Internal Control must be prepared, reviewed and approved by the CEO, Chair of Trustees and FP&GPC each year, as soon as practicable after the end of the financial year.

The FMGE (Academies Financial Management and Governance Evaluation) framework must be adhered to.

### **Section 3: Payroll**

The school operates its payroll system using an external payroll provider: Buckinghamshire Council.



A list of authorised payroll signatories must be maintained by the CFO. This includes the CEO, Chair of Trustees, Heads of Campus, Business Manager (Wokingham) and line managers.

### **3.1 Starters/variations/leavers**

All changes to staff must be advised in writing to the member of staff by the CEO, with a copy to the Senior Finance Officer, School Business Manager (Wokingham) and Personnel Officer (for file). Forms for:-

- Setting up new employees and new contracts on the payroll.
- Effecting variations to pay.
- Taking existing employees off the payroll.

must be made out by the Senior Finance Officer School Business Manager (Wokingham) or the CFO. The information from the forms must then be entered on to the Bucks SAP portal system (CWA) and the payroll portal system (Wokingham).

### **3.2 Time sheets**

All time sheets submitted by a member of staff must be checked by the Line Manager and then authorised (signed) by the Head of Campus. Authorised time sheets must be sent directly to the Finance Departments.

### **3.3 Checking of payroll data**

Payroll data must be scrutinised by the Senior Finance Officer and, School Business Manager (Wokingham) in conjunction with the Payroll provider, to ensure all employees are recognised, pay appears reasonable and for the accuracy of pay calculations. The CFO should perform spot checks.

### **3.4 Pay-related expenses**

All pay-related expenses must be processed through the payroll system. Pay-related expenses must never be paid via petty cash, or by the creditor payment system.

### **3.5 Supply teachers**

The Trustees will decide, on the basis of advice from the CEO and CFO, whether supply teacher insurance cover shall be taken out, and the extent of the cover. All claims submitted by supply teachers must be authorised (signed) by the Heads of Campus.

Reimbursement claims must be submitted on a monthly basis to the Senior Finance Officer and School Business Manager (Wokingham).

The Senior Finance Officer and School Business Manager (Wokingham) must check that correct amounts have been charged as per the payroll data.

## **Section 4: Assets**

### **4.1 Fixed Asset Register and Inventory**

The portable, desirable, attractive assets of the school, as well as any assets of intrinsic value (e.g. antiques) will be recorded in the schools' inventory. Full details (make, model, serial number, approximate value) shall be recorded, subject to a minimum value for an individual item of £100.

The Facilities Manager (FM) has overall responsibility for keeping the inventory up to date; each department head is responsible for keeping their individual department's inventory up to date by adding new items when they are received into school.

All inventory items, where possible, should be security marked by a suitable permanent security marking system e.g. smart water, ultra violet pen, bar coding, warning stickers. All asset disposals must ensure the best possible value is obtained. Items up to a value of £1,000 may be sold or written out of the inventory on the authority of the FM & CEO. Over this limit, the Trustee Board must authorise and details recorded in the minutes. Reasons must be recorded in the inventory, together with the CEO's and FM's signature (items up to £1,000) or the Trustees' minute reference (£1,000 and over). An official receipt for sales income must be issued to the purchaser. VAT must be charged when required. For disposal of fixed assets over £20k which have been funded by the ESFA the CFO will consult or advise the ESFA in advance.

Inventories shall cover all areas of the school, and be arranged on a room-by-room basis. A separate inventory will be maintained to include items which are not allocated to a specific room.

The inventory shall be checked against the actual assets by the FM on an annual basis. Any discrepancies shall be investigated immediately, and if necessary the Trustees, Police and the authority's auditors shall be informed. The check shall be evidenced by the checker signing and dating the inventory.

#### 4.2 Depreciation

Depreciation is provided on cost or valuation in equal annual instalments over the estimated useful life of the assets.

Assets are capitalised for all single items above £3,000.

Depreciation is calculated using the straight line method. Once the estimated useful life of the asset has been determined, divide the estimated useful life (in years) into 1 to arrive at the **straight-line depreciation** rate. Example: if an asset is purchased 3 months before the financial year end and it is to be written off over 3 years then Yr1 is written off by 3 months, years 2 & 3 by 12 months and year 4 by 9 months. The standard rates of depreciation are as follows:

Asset type Depreciation period

Depreciation rate:

- Computer equipment and software 3 years 33%.
- Motor Vehicles 5 years 20%.
- Plant and machinery 10 years 10%.
- Buildings 125 years 0.8%.

Note:- the above are general standard depreciation rates. Individual capitalised fixed assets may need to have specific depreciation periods set; this will need to be specifically approved by the Trustees' F&GPC.

#### **4.3 Off-site register**

Any inventory items taken off-site by members of staff for official purposes must be recorded in a register. The date borrowed, and the signature of the borrower, must be recorded. On the return of the item, the date of return will be recorded.

#### **4.4 Investments**

Available funds in Bank account cash surpluses are to be invested, by the CFO, in accordance with the following rules:

- Money will only be placed with financial institutions that are considered to be “safe” having good credit ratings and in countries known to be stable.
- Consideration should be given to spreading the risk of any bank defaulting by spreading deposits across more than one financial institution.
- To maximise income level.
- The length of investment must not compromise academy cash flow. (consideration should be taken on investing cash for one year at 4 different institutions with a 3 month different start date, thereby ensuring that cash is available within a 3 month window at any given time).
- All investments must be approved in advance by the CEO and Chair of FP&GPC and reported at the next FP&GPC meeting.

### **Section 5: Income**

**5.1 Credit income** (Where payment for goods/services provided by the school is made after the provision takes place).

An official invoice must be raised by the CFO, or other person under the direction of the CFO, in all cases and sent to the debtor as soon as possible after the provision of the goods/service, and no later than one month after the provision. A file of copy invoices will be maintained by the Finance Teams; this will be arranged into 'paid' and 'unpaid' invoices. The copies of unpaid invoices will act as a control record for the sending of reminders and the chasing of unpaid debts. Reminders will be sent after the following periods if the debt remains outstanding:-

1st reminder 30 days after the due date

2nd reminder 60 days after the due date

If after 90 days the debt remains unpaid, consideration will be given by the CFO, CEO and/or Trustees to writing the debt off in accordance with the following limits:-

- Up to £500 - CEO or CFO may authorise write-off.
- Up to £1,000 - Chair of Trustees may authorise write-off.
- Over £1,000 - FP&GPC may authorise write-off.

In each case, the possibility of taking legal action to recover the debt must be considered by CFO, CEO, Chair, and Trustees as appropriate.

As well as sending formal reminders, efforts must be made by the school to contact the debtor in order to secure recovery of the debt. If payment has not been received after 28 days of the due date, no further goods or services must be provided until the outstanding debt is settled.

When an invoice is paid, details of the payment must be written on the copy invoice. Receipts can be issued to debtors on request, the receipt number is to be written on the copy invoice and a duplicate copy of the receipt must be retained at school.

**5.2 Cash income** (i.e. where payment is received at the time goods/services are provided). Detailed records must be maintained for all cash income. An official receipt may be issued to the payer on request at the time the payment takes place, and a duplicate copy retained at the school.

### **5.3 Banking**

All income received (cash or cheque) must be banked promptly and intact. No payments may be made out of income collected. A record to evidence the banking must be kept (e.g. stamped paying-in slip).

### **5.4 Charging policy**

The FP&GPC will set a charging policy to cover:-

- Lettings.
- School visits (which will be costed by the teacher organiser, who will also take into account any students in financial difficulty).
- Music tuition.
- Exam fees.
- Private photocopying.
- Private telephone calls.
- Damages.

The charging policy will be reviewed every three years by the FPGPC. Charges levied by the school will be in line with this policy.

### **5.5 Donations**

Donations from any sources must be acknowledged by the issue of an official receipt to the payer. All donations must be banked promptly and intact.

### **5.6 Other income**

All income used to offset expenditure (e.g. lettings, photocopying, telephone calls, music tuition, sales of work, damages) must be paid into the Academy bank account and coded to an appropriate income code. Monies received from any sales of school equipment must similarly be paid into the Academy bank account.

Donations should be properly recorded into the appropriate income budget.

### **5.7 Cash received from students**

Cash received from students must be fully and accurately recorded. Cash collected must be handed over to the Finance Offices frequently. A receipt for the income will be generated and retained with the income record.

### **5.8 Security of receipt books and tickets**

All unused receipts and tickets to be used to acknowledge receipt of income, must be held securely in the school finance offices.

## **Section 6: Purchasing**

### **6.1 Ordering**

School procedures for purchasing should ensure that purchases are as required and are only for valid school purposes.

The school's Best Value Statement details the principles and procedures which apply to the purchase of all goods and services for the school and must be followed at all times.

Orders must be approved by the appropriate budget holder. The orders should then be processed by the Finance Office teams. The official order produced from the finance system must be authorised on the system by the budget holder (<£1,000); head of campus (£1,000-£5,000); and CEO (>£5,000) before it is sent to the supplier. If an order has been placed over the telephone by the finance team an official order number will be given and the invoice will be checked against this number. Alternatively official confirmation of the order must be sent as soon as possible afterwards, e.g. by email.

The IT Manager must always be consulted before ordering any computer equipment. Official orders must not be used to procure goods for private purposes. Records of all official orders placed must be retained on file at the school by the finance teams.

When placing orders it is the responsibility of the initiator to ensure that Standing Orders are adhered to, these being –

### **6.2 Quotations/tenders**

For orders for goods/services under £50,000:

- <£1,000 one price sought.
  - £1,000 - £10,000 - at least two prices to be examined and retained, these prices may be taken from suppliers' written or verbal quotations or catalogues/price lists.
  - £10,000 - £50,000 - independent written evidence of at least three prices must be obtained and retained. Independent written evidence means quotations provided on suppliers' headed notepaper.

For orders for goods/services over £50,000.

Tenders must be invited in accordance with specific Standing Orders.

- From at least three appropriate contractors, or
- By open competition by advertisement in local newspaper or appropriate journal.

For contracts over £178,000.

In the event that the school wishes to place a contract worth over €200,000 (for the lifetime value – not just a single year).

Note: New rules apply from 1<sup>st</sup> January 2021 see <https://www.gov.uk/guidance/public-sector-procurement-from-1-january-2021> FP&GPC, Facilities Manager and CFO should review the detailed requirements.

### **6.3 Trustee involvement**

#### **DELEGATED RESPONSIBILITY**

Trustees delegate the responsibility for adherence to the above requirements to the CEO and CFO. As well as ensuring that the above requirements have been adhered to, it is the responsibility of the DoS, Head of Campus' and CFO to ensure that Trustees are consulted in the following circumstances:-

- Review of quotations obtained where estimated costs exceed £50,000.
- Review of quotations when the lowest quote is not the most suitable or when the prerequisite number of quotes could not be obtained.

In such circumstances the Trustees should formally authorise a waiver of the regulations, either prior to the purchase or retrospectively, if necessary.

### **6.4 Receipt of goods**

Once items ordered have been received, the Budget Holder must ensure that items delivered, correspond to details contained in the delivery note. Upon examination of goods the Budget Holder must also ensure that both quality and quantity are appropriate.

### **6.5 Invoice check and authorisation**

Invoices received must be checked to both copy orders and delivery notes to ensure that invoices relate to goods ordered and delivered. Invoices should also be checked for arithmetical correctness. All invoices must be certified for payment by the Budget Holder before being passed for payment (or the Head of Campus in the Budget Holder's absence). Invoices passed for payment must be recorded promptly in the schools' accounting system by the finance assistant.

### **6.6 Petty Cash**

Day to day operation of the petty cash account is the responsibility of the Receptionist / Administrator. All petty cash expenditure, and reimbursement income, must be promptly

recorded in the petty cash record. The imprest amount at each campus is £1,500. Bierton has £1000.

In normal circumstances individual purchases from petty cash must not exceed £50. Amounts above this sum, up to a maximum of £250, should only be in exceptional circumstances and with prior approval of the Head of Campus. Such payments should be for emergencies only and should not simply result from a lack of planning. Given Covid situation - cash transactions should be avoided if possible.

All cash and cheque books held must be retained securely.

- All advances will be recorded in the green multipart book for refunding expenditure.
- The receptionist/administrators at each campus will give the staff member a numbered white slip to complete and attach to the receipt(s).
- receptionist/administrators will write the details in the ledger book and the staff member will sign for receipt of the money.
- The completed white forms, attached to the receipt, will be kept in a plastic wallet.
- The white forms have to be countersigned by the Head of Campus.
- The plastic wallet, ledger book and the green advances book will all be kept in a box file.
- The Receptionist/Administrators at each campus will record all petty cash transactions on an excel spreadsheet.
- The Receptionist/Administrators at each campus will balance the petty cash every Friday and confirm this by signing a print of the spreadsheet.
- The receptionist/administrators at each campus will complete a spreadsheet detailing the denominations of petty cash needed.
- The Finance Assistant will enter the petty cash into Sage.
- The Finance Assistant will prepare the petty cash cheque.
- The Finance Manager, Senior Finance Officer, Business Manager Wokingham or Finance Officer (or Finance Director in their absence) will go to the bank (Lloyds, Berkhamsted / High Wycombe/Wokingham) to cash the petty cash cheque.
- The petty cash for Prestwood will be checked by both the Finance Manager, Senior Finance Officer or Finance Officer and another member of staff, put in a sealed envelope signed by Deputy Finance Manager or Finance Officer with sellotape across the date and signature.
- The petty cash will be signed for by the other member of staff who will transport to Prestwood/ Bierton
- The sealed envelope will be given to PC/BH's receptionist.
- The Prestwood/ Bierton receptionist/administrator will sign the ledger book to say she has received the envelope and the other member of staff will sign to say they have witnessed this.
- The Prestwood/ Bierton Receptionist/Administrator will count the cash and sign the ledger to confirm it is correct. This must be done the same day as they receive the envelope.
- Wokingham replicates the Prestwood arrangement using the SBM and Finance Officer and Receptionist Administrator for appropriate separation of duties.
- Any differences must be raised with the Finance Assistant immediately.

- The Finance Manager, Senior Finance Officer or CFO will carry out a half termly spot check of petty cash.

Each time a reimbursement claim is submitted, the finance assistant must complete a reconciliation ensuring that cash expended, plus cash in hand or at bank, equals the amount of the advance.

### **6.7 Credit Card**

Trustees have authorised the use of fifteen school credit cards. The cards are for the use of the FT teachers, Finance Assistants, Business Director, Director of Schools, Facilities Manager, Receptionists BIE & PRE, IT, SBM (Wokingham) and CEO and is in their names.

The credit card has a collective credit limit of £40,000; any changes in the limit will be implemented by the CFO, following consultation and approval by the CEO and Chair of Trustees.

The credit card must be kept securely, ideally in the safe, and only taken out when required.

A detailed record of expenditure must be kept for all purchases.

Care must be taken with all internet purchases, including purchasing only from known, trusted, reliable and reputable suppliers and only from sites adopting the internet security protocol <https://>

The credit cards must be settled in full each month; it must not be used as a line of credit.

The credit card may only be used by the named cardholders.

The Finance Assistants are responsible for reconciling the monthly expenditure. Any items which do not have detailed record of expenditure or do not appear to be for bona fide school purposes must be immediately reported to the CFO and CEO and fully investigated immediately.

The Heads of Campus will authorise all purchases made on the credit cards up to and including £5,000. The CEO will authorise all purchases made on the credit card > £5,000.

The CFO will carry out a monthly check on a sample of the transactions.

The credit card transactions will be posted monthly onto the finance system.

### **6.8 Bank Mandate**

Special instructions regarding the number of signatures required to operate the account for particular amounts, signed by school Trustees with effect from 1<sup>st</sup> September 2017.

Updated 1<sup>st</sup> November 2020.



## 6.9 Banking

In order to secure the safe handling of cash in transit to the bank, the member of staff depositing money into The Academy's accounts must observe the following rules: do not transit more than £1,500 cash to the bank on any one visit; banking should be carried out at different times of the day; park in the bank's car park; take a School pool mobile; different members of staff should go to the bank if possible.

Special instructions regarding the number of signatures required to operate the account for particular amounts, signed in accordance with the mandate with effect from 1<sup>st</sup> July 2017.

<b>Payments up to £1,000</b>	<b>Payments over £1,000 up to £30,000</b>	<b>Payments over £30,000</b>
<b>Two</b> signatories from:	<b>One</b> of:	<b>One</b> of:
Ian McCaul	Ian McCaul	David Mortimer
Gary Regan	Gary Regan	Tracey Hughes
Linda Switzer	Linda Switzer	
Paul Coffey	Paul Coffey	<b>Plus one</b> of:
Nick Hall	Nick Hall	Ian McCaul
Richard Baber	Callum Mansell	Gary Regan
Sarah Andrews		Linda Switzer
Charlene Bakermault	<b>Plus one</b> other from:	Paul Coffey
Callum Mansell	Ian McCaul	Nick Hall
Mark Taylor	Gary Regan	Callum Mansell
Lee Beagle	Linda Switzer	
Sharon Fletcher	Paul Coffey	<b>Plus one</b> other from:
Jason Horne	Nick Hall	Ian McCaul
	Callum Mansell	Gary Regan
	Richard Baber	Linda Switzer
	Sharon Fletcher	Paul Coffey
	Charlene Bakermault	Nick Hall
	Sarah Andrews	Callum Mansell
		Richard Baber

## Section 7: Register of Business Interests

The school shall maintain such a Register.

### 7.1 Persons to be included:-

- Members
- All Trustees.
- CEO.
- CFO
- All senior staff i.e. DoS, Heads of Campus, Deputy Head, Business Director, SBM (Wokingham), Assistant Heads, budget holders.

## **7.2 Interests to be recorded**

The basic principle to be followed is that any interest should be recorded which could be seen to improperly influence any decisions taken, pecuniary or otherwise, regarding the operation of the academy.

Examples of such improper influence might be:-

- To purchase goods or materials from a company in which a Trustee/senior member of staff has a financial interest without going through the correct procedures re. Obtaining competitive prices.
- Promoting a member of staff who has close personal relationship (spouse, partner, son, daughter etc.) With Trustee/senior member of staff, without going through correct procedures for recruitment and selection.
- There cannot be a definitive, comprehensive list of the interests which should be recorded.
- The following is intended to give some guidance:
  - Having a financial, or other, interest in an organisation which could feasibly be in a position to supply goods/services to the school.
  - Having a close personal relationship with a person in the above categories.
  - Being in a position to potentially influence decisions made about the school.
  - Having a close personal relationship with a Trustee or member of staff.

All gifts with a value of over £25 received, or given, to any member of staff, Trustees, suppliers or contractors must be disclosed to the CFO who will record the information in the gifts and hospitality book and report these at the next FP&GPC.

If staff or Trustees are in any doubt regarding whether an interest should be reported guidance should be sought from the CEO or Chair of Trustees.

## Appendix One: Financial expenditure delegations

This information is a summary of the expenditure delegations.

Role	Bank forms and government returns	Cheque Signing / BACS Approval *	Purchasing, Procurement and Contract Processing	Budget / Virements
Trustee Board	<ul style="list-style-type: none"> <li>Approve government returns</li> <li>Approve banking arrangements</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Approve all orders and contracts above £50k</li> <li>Approve waivers requiring the specified number of quotations / tenders for contracts above £50k</li> <li>Chair of TB: Approve expenses of the CEO</li> </ul>	<ul style="list-style-type: none"> <li>Approve and monitor annual revenue and capital budget</li> <li>Approve virements over £50K</li> </ul>
Finance, Personnel, and General Purposes Committee	<ul style="list-style-type: none"> <li>Approve bank mandate for school account</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Approve establishment of new permanent staff posts</li> <li>Approve annual staffing establishment</li> <li>Approve orders and contracts between £15k and £50k, and approve any necessary procurement waivers for urgent contracts between £15k and £50k</li> </ul>	<ul style="list-style-type: none"> <li>Monitor revenue and capital budgets</li> <li>Approve virements between £30K &amp; £50K</li> </ul>
CEO	<ul style="list-style-type: none"> <li></li> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Authorise monthly payroll (with one other authorised)</li> <li>Approve purchase orders and contracts from £5K up to £15k</li> <li>Approve Purchase Card monthly statements</li> </ul>	<ul style="list-style-type: none"> <li>Approve virements up to £30k</li> </ul>
Business Director	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Cheque / BACS approver / signatory</li> </ul>	<ul style="list-style-type: none"> <li>Authorise new starts / payroll amendments -Admin</li> <li>Authorise monthly payroll Wokingham</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
Business Manager (Wokingham)	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Cheque / BACS approver / signatory</li> </ul>	<ul style="list-style-type: none"> <li>Authorise monthly payroll (with CEO)</li> <li>Cheque and BACS payments</li> <li>Certify goods receipt and authorise invoices for payment**</li> <li>Process payroll adjustments***</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
Director of Schools Head of Campus	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Cheque / BACS approver / signatory</li> </ul>	<ul style="list-style-type: none"> <li>Approve staff expenses</li> <li>Authorise new starts / payroll amendments</li> <li>Approve establishment of new temporary staff posts</li> <li>Approve PO's &gt;£1K-£5K</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
Finance Director (CFO)	<ul style="list-style-type: none"> <li>Prepare and submit returns</li> </ul>	<ul style="list-style-type: none"> <li>Cheque / BACS</li> </ul>	<ul style="list-style-type: none"> <li>Authorise monthly payroll (with CEO)</li> <li>Cheque and BACS payments</li> </ul>	<ul style="list-style-type: none"> <li>Detailed in current procedures</li> </ul>

<b>Role</b>	<b>Bank forms and government returns</b>	<b>Cheque Signing / BACS Approval *</b>	<b>Purchasing, Procurement and Contract Processing</b>	<b>Budget / Virements</b>
	<ul style="list-style-type: none"> <li>• Prepare and submit VAT returns</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• approver / signatory</li> </ul>	<ul style="list-style-type: none"> <li>• Certify goods receipt and authorise invoices for payment**</li> <li>• Process payroll adjustments***</li> </ul>	
Finance Manager	<ul style="list-style-type: none"> <li>• Prepare and submit VAT returns</li> </ul>	<ul style="list-style-type: none"> <li>• Cheque / BACS approver / signatory</li> </ul>	<ul style="list-style-type: none"> <li>• Cheque and BACS payments</li> <li>• Certify goods receipt and authorise invoices for payment**</li> <li>• Process payroll adjustments***</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
Assistant Heads		<ul style="list-style-type: none"> <li>• Cheque / BACS approver / signatory</li> </ul>		

\* All cheques/BACS approval must have at least two signatories. These provisions apply to all accounts, public or private, operated by or on behalf of the Trust. Separation of duties is achieved by Finance assistant placing all orders and all payments requiring at least two signatures.

\*\* Any person who receives goods and certifies invoices for payment shall be independent of those who negotiated prices and terms and placed the official order

\*\*\* This should ensure a separation between processing payroll adjustments and authorising payroll

Full Financial Scheme of Delegation.

	CEO	Director of Schools HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/(PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
<b>PURCHASING</b>												
Inputs order on Sage							x	x			HRO, BM	x
Authorises order on Sage							x	x			HRO, BM	x
Authorising signature on paper copy of order	x >£5k- £10K	x >£1k- £5K							<£1000 in line with bids			
Signs invoice/ delivery note to confirm receipt of goods									x			
Inputs invoice on Sage							x	x			HRO, BM	x
Authorises invoice on Sage and sign report				x	x	x						
Signs cheques/BACS Schedule	x	x	x								Assista nt	

	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
											Heads, Chair of trustee s/Chair of Finance Committee	
Authorising signature on contracts and lease agreements	x											
<b>CONTRACTS</b>												
Ensuring Standing Orders Relating to Contracts is followed	x											
Authorised to obtain quotes and analyse quotes	x			x	x	x	x		x	x		x
Authorised to approve contracts, see Finance Committee ToR	x											
Authorised to sign contracts	x											
Authorised to manage contracts									x	x		
<b>PETTY CASH</b>												

	CEO	Director of Schools HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Signs petty cash vouchers when payments made		X countersign							x		X Other staff	
Authorised to pick up Petty Cash from bank				x	x	x						x
Reconciles account weekly								x				
Process on Sage and produce cheque							x					
Half termly spot check					x	x						x
<b>PAYROLL</b>												
Inputs new starters onto SIMS and keeps Sims personnel up to date ( not contract changes)											HR	x
Contract changes on SIMS						x						x
Inputs to HR e-forms						x					SBM exceptionally	x
Authorises HR e-forms			x	x	x							

	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Authorising signature on teaching and HOC staff variation to contract/ new starter forms	x											
Authorising signature on non teaching staff variation to contract/ new starter forms		x	x									
Checks monthly payroll print against staff details and signs						x					SBM	
Carries out independent check of payroll print and signs and dates (CEO plus one other)	x		x	x	x							
Authorising signature on supply claim forms		x										
Authorising signature on overtime claim forms		x and Line Mgr									x Line Mgr & HoC	
Authorising signature on mileage claim forms						x					SLT SBM	x
<b>INVENTORY</b>												
Ensures inventory is up to date with new items										x		



	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Responsible for ensure the safe custody of their equipment									x			
Carries out annual stock check and signs and dates										x		
Amends inventory with any changes from stock check										x		
Signs off disposals	x <£1k (combined with Fac Mgr)								Need to inform Fac Mgr/CEO	x <£1k (combined with CEO)	Between 1k & £30k Trustee (minuted) >£30k ESFA approval	
<b>LETTINGS</b>												
Obtains signed hire agreement and insurance documents										x		
Authorising signature on hire agreement for lettings		x										
Maintains lettings diary and raises invoices						x						x
Inputs income receipt on Sage						x						x

	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Raise invoices				X (exceptional)	X (exceptional)	x						x
<b>INCOME COLLECTION-SCHOOL FUND</b>												
Collects income initially								x				
Counts income and issues sequentially numbered receipts								x				
Inputs income on School Fund spreadsheet						x						x
Checks income for banking and completes paying in slip						x						x
Banks income						x		x				x
Carries out termly independent check of income received to bank statement					x							
<b>INCOME COLLECTION-SCHOOL BUDGET SHARE</b>												
Collects income initially								x				
Issue sequentially numbered receipts for non invoiced income								x				
Inputs income on Sage						x						x

	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/ (PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Checks income for banking and completes paying in slip						x						x
Banks income			x	x	x	x		x				x
Carries out termly independent check of income received to bank statement				x	x							
<b>RECONCILIATIONS (Cheque book schools only)</b>												
Carries out two way reconciliations weekly and signs and dates					x	x						
Reviews two way reconciliations termly and signs and dates				x								
<b>FREE SCHOOL MEALS</b>												
Obtains evidence of entitlement for children receiving FSMs											Data Mgr	
Updates BCC FSM checking service with parent data								x			DM	
<b>CATERING</b>												
Maintains stock inventory and records new stock when delivered											catering staff	

	CEO	Director of Schools  HoCs	Business Director	Finance Director	Finance Mgr	Senior Finance Officer	Finance Assistant	Administration/ Receptionist (WC)/(PC)/(BH)	Budget Holders	Facilities Manager	Other/ Exceptional	Finance Officer
Periodically carries out independent stock check and signs and dates											trustee	
Amends inventory with any changes from stock check											caterin g manag er	
Signs off disposals										x	caterin g manag er	
<b>PURCHASING CARDS</b>												
Approves Purchasing Card applications and monthly statements	x										CoG for CEO	
Card Holders (agreed to terms and conditions)											Cardhol ders	
Completes monthly transaction logs							x				cardhol ders	x
Reconciles transaction log to bank statements and signs and dates						x						x
Carries out independent check of reconciliation and signs and dates					x							



