



## MANUAL OF FINANCIAL PROCEDURES

The purpose of this manual is to ensure that All Saints Multi Academy Trust maintains and develops systems of financial control which confirm to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Secretary of State for Education.

All Saints Multi Academy Trust must comply with the principles of financial control outlined in the academies handbook published by the Education & Skills Funding Agency (ESFA). This manual expands on that and provides detailed information All Saints Multi Academy Trust's accounting procedures. This manual should be read by all staff involved with financial systems.

<b>Review Period</b>	Annually
<b>Person Responsible for Policy</b>	Chief Financial Officer
<b>Governing Committee</b>	Trust Board
<b>Date of Trustees Approval</b>	March 2021
<b>Date for Review</b>	March 2022

<b>1</b>		<b>Organisation and Responsibilities</b>
	<b>1.1</b>	Finance structure
	<b>1.2</b>	Role of the Board of Trustees
	<b>1.3</b>	Meetings of the Board of Trustees and its committees
	<b>1.4</b>	Clerking/minutes of trustee meetings
	<b>1.5</b>	Trustees' responsibility for financial management – induction of new Trustees
	<b>1.6</b>	Scheme of financial delegation
	<b>1.7</b>	Financial policies
	<b>1.8</b>	Review of financial procedures
	<b>1.9</b>	Role of the Buildings, Finance, Personnel & Admissions Committee
	<b>1.10</b>	Reporting financial updates to Trustees
	<b>1.11</b>	Role of the Head Teacher
	<b>1.12</b>	Role of the Chief Finance and Operation officer
	<b>1.13</b>	Role of other staff in financial management and administration
	<b>1.14</b>	Register of Pecuniary (Business) Interests
	<b>1.15</b>	Whistle Blowing
<b>2</b>		<b>Internal Financial Control</b>
	<b>2.1</b>	Separation of Duties
	<b>2.2</b>	Approved signatories
	<b>2.3</b>	Maintenance of complete and permanent records
	<b>2.4</b>	Review and assessment of procedures
	<b>2.5</b>	Audit arrangements
	<b>2.6</b>	Internal Audit (by Internal Auditor)
	<b>2.7</b>	Risk management
<b>3</b>		<b>Banking Arrangements</b>
	<b>3.1</b>	Account arrangements
	<b>3.2</b>	Cheque security and signing
	<b>3.3</b>	Security and control over cheque stationery
	<b>3.4</b>	Accounting for all cheques
	<b>3.5</b>	Bank passwords arrangements
	<b>3.6</b>	Changing account signatories
	<b>3.7</b>	Direct debits and standing orders
	<b>3.8</b>	School Charge Card
	<b>3.9</b>	Cashing facility
	<b>3.10</b>	Reconciliation process
	<b>3.11</b>	Cashflow forecasting
	<b>3.12</b>	Prohibition of any form of credit arrangements

<b>4</b>		<b>Budgeting and Financial Planning</b>
	<b>4.1</b>	Benchmarking
	<b>4.2</b>	Annual budget
	<b>4.3</b>	Accounting package
	<b>4.4</b>	Budget holders
	<b>4.5</b>	Treatment of earmarked funding and reporting of significant activities
	<b>4.6</b>	Changes to budget allocations
	<b>4.7</b>	Sixth form funding
<b>5</b>		<b>Financial monitoring and reporting</b>
	<b>5.1</b>	Internal monitoring
	<b>5.2</b>	Reporting to the ESFA
	<b>5.3</b>	Risk Register
<b>6</b>		<b>Accounting Routines</b>
	<b>6.1</b>	Guidance Materials
	<b>6.2</b>	Month end procedures
	<b>6.3</b>	Coding structure
	<b>6.4</b>	Systems reconciliations
	<b>6.5</b>	Year-end/closedown procedures
	<b>6.6</b>	Suspense, holding and control accounts
	<b>6.7</b>	Journals and other exceptional entries
<b>7</b>		<b>Payroll and Employee Expenses</b>
	<b>7.1</b>	Staff contract arrangements
	<b>7.2</b>	Authorisation of appointments
	<b>7.3</b>	Pre-employment checks
	<b>7.4</b>	Notification of payroll changes to HR Payroll Providers
	<b>7.5</b>	Compliance with PAYE requirements
	<b>7.6</b>	Payroll bureau
	<b>7.7</b>	Change in payroll arrangements
	<b>7.8</b>	Retention of personal information
	<b>7.9</b>	Timesheets
	<b>7.10</b>	Staff deductions
	<b>7.11</b>	Payroll reports
	<b>7.12</b>	Expenses – general
	<b>7.13</b>	Travel expenses

<b>8</b>		<b>Order and receipt of goods/service</b>
	<b>8.1</b>	General
	<b>8.2</b>	Orders and requisitions (below the contract limit)
	<b>8.3</b>	Receipt of goods/services
	<b>8.4</b>	Outstanding orders/commitments
<b>9</b>		<b>General expenditure controls</b>
	<b>9.1</b>	Invoice authorisation
	<b>9.2</b>	Invoice payment
	<b>9.3</b>	Payment made by standing order or direct debit
	<b>9.4</b>	Proforma invoices
<b>10</b>		<b>Capital income and expenditure</b>
	<b>10.1</b>	General
	<b>10.2</b>	Devolved formula capital allocation
	<b>10.3</b>	Capital project plan – restrictions on ineligible expenditure
	<b>10.4</b>	Property/premises related projects – need to obtain approval from the area Planning Officer
	<b>10.5</b>	Accounting for capital income
	<b>10.6</b>	Accounting for capital expenditure
<b>11</b>		<b>Contracting</b>
	<b>11.1</b>	Compliance with contract regulations
	<b>11.2</b>	Contract value and tendering requirement
	<b>11.3</b>	Roles required under contract regulations
	<b>11.4</b>	Contract monitoring
	<b>11.5</b>	Leases
<b>12</b>		<b>VAT</b>
	<b>12.1</b>	General
	<b>12.2</b>	VAT returns
	<b>12.3</b>	VAT accounting
	<b>12.4</b>	Registering for VAT

<b>13</b>		<b>General Income Controls</b>
	<b>13.1</b>	Voluntary contributions and the setting of charges for services
	<b>13.2</b>	Identification of income due
	<b>13.3</b>	Cash handling, storage, collection and banking
	<b>13.4</b>	Debt recovery
	<b>13.5</b>	Grants, earmarked funds and other such income
<b>14</b>		<b>School Journeys</b>
	<b>14.1</b>	Overview
	<b>14.2</b>	School visit budget statement/costing
	<b>14.3</b>	Letters to parents
	<b>14.4</b>	Collection and recording of parental/pupil contributions
	<b>14.5</b>	Accounting for expenditure
	<b>14.6</b>	Overall financial outcome
	<b>14.7</b>	School minibus
<b>15</b>		<b>Schools Meals</b>
	<b>15.1</b>	In-house catering
	<b>15.2</b>	Income handling and recording
	<b>15.3</b>	Adult meals
	<b>15.4</b>	Free schools meals
	<b>15.5</b>	Official functions
<b>16</b>		<b>Lettings</b>
	<b>16.1</b>	Letting applications
	<b>16.2</b>	Insurance
	<b>16.3</b>	Schedule of Lettings
	<b>16.4</b>	Deposits
	<b>16.5</b>	VAT
	<b>16.6</b>	Invoicing
<b>17</b>		<b>Petty Cash</b>
	<b>17.1</b>	Floats

<b>18</b>		<b>School Assets</b>
	<b>18.1</b>	Asset management and Depreciation
	<b>18.2</b>	Inventory record
	<b>18.3</b>	Addition of items
	<b>18.4</b>	Removal of assets
	<b>18.5</b>	Inventory checks

<b>19</b>		<b>Security</b>
	<b>19.1</b>	Security of cash and other assets
	<b>19.2</b>	Key holders
	<b>19.3</b>	Key cutting/replacement
	<b>19.4</b>	Computer systems
	<b>19.5</b>	Retention and disposal of accounting records
	<b>19.6</b>	Premises security

<b>20</b>		<b>Insurance</b>
	<b>20.1</b>	Insurance cover
	<b>20.2</b>	Policies held
	<b>20.3</b>	Employees' use of own vehicles on school business
	<b>20.4</b>	Changes to risk exposure and insurance cover requirements
	<b>20.5</b>	Claims

## **Contents**

<b>1</b>		<b>Organisation and Responsibilities</b>
	<b>1.1</b>	Finance structure
	<b>1.2</b>	Role of the Board of Trustees
	<b>1.3</b>	Meetings of the Board of Trustees and its committees
	<b>1.4</b>	Clerking/minutes of trustee meetings
	<b>1.5</b>	Trustees' responsibility for financial management – induction of new Trustees
	<b>1.6</b>	Scheme of financial delegation
	<b>1.7</b>	Financial policies
	<b>1.8</b>	Review of financial procedures
	<b>1.9</b>	Role of the Buildings, Finance, Personnel & Admissions Committee
	<b>1.10</b>	Reporting financial updates to Trustees
	<b>1.11</b>	Role of the Head Teacher
	<b>1.12</b>	Role of the Chief Finance and Operation officer
	<b>1.13</b>	Role of the Internal Auditor
	<b>1.14</b>	Role of other staff in financial management and administration
	<b>1.15</b>	Register of Pecuniary (Business) Interests
	<b>1.16</b>	Whistle Blowing

All Saints Multi Academy Trust has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for Trustees and staff. The financial reporting structure is illustrated below:-

- Academy Trustees and members
- Finance and Business Committee
- Remuneration committee (to be re-instated)
- Executive head teacher/Accounting Officer
- Head teacher of Academy of St Nicolas
- Head teacher of Academy of St Francis of Assisi
- Chief Finance and Operations Officer
- Finance managers and budget holders

The organisation of All Saints Multi Academy Trust encourages regular interaction between those making financial decisions and those affected by them through the passing of information regarding any proposed actions through the reporting lines indicated, i.e. decisions made by trustees to the Chief Finance and Operations officer so that the financial implications can be determined. This process is also adhered to for discussions and proposals made during the weekly Senior Management Team (SMT) meetings.

### 1.2 Role of the Board of Trustees

The board of trustees of the academy trust has wide responsibilities under statute, regulations and the funding agreement. Principally, it is responsible for ensuring that the trust's funds are used only in accordance with the law, its articles of association, its funding agreement, the academies financial handbook and this manual. The board of trustees has wide discretion over its use of the trust's funds, which it must discharge reasonably and in a way that commands broad public support. It is responsible for the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

The Board of Trustees understand their statutory duties as company directors as set out in the Companies Act 2006. These comprise the duties to:

- act within their powers
- promote the success of the company
- exercise independent judgement
- exercise reasonable care, skill and diligence
- avoid conflicts of interest
- not to accept benefits from third parties
- declare interest in proposed transactions or arrangements

The Board of Trustees also recognises the features of effective governance as set out by Baroness Berridge in the Academies handbook 2020, these being:

- **strategic leadership** that sets and champions vision, ethos and strategy
- **accountability** that drives up educational standards and financial performance
- **people** with the right skills, experience, qualities and capacity



- **structures** that reinforce clearly defined roles and responsibilities
- **compliance** with statutory and contractual requirements
- **evaluation** of governance to monitor and improve its quality and impact

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.

### **1.3 Meetings of the Board of Trustees and its Committees**

The Board of Trustees of All Saints Multi Academy Trust meets at least once per term.

A timetable for all Board of Trustees meetings is drawn up annually. These are arranged to ensure that all committee meetings are undertaken in advance of those for the Full Board of Trustees, so that all appropriate matters arising can be reported back.

The Board of Trustees of All Saints Multi Academy Trust comprises;

- 3 Members
- 7 Trustees

### **1.4 Clerking/Minutes of Trustee Meetings**

All Saints Multi Academy Trust has an appointed clerk who takes minutes at all Full Board of Trustees meetings and Sub Committee meetings. The minutes reflect all decisions made and by whom action is to be taken. These actions are revisited at the next meeting.

Meetings are convened by the Clerk who takes direction from the Executive headteacher, Board of Trustees and Chair of Trustees. The Clerk provides each trustee with:

- Written notice of a meeting
- A copy of the agenda
- Copies of any supporting documents and papers to be considered at the meeting.

### **1.5 Trustees' Responsibility for Financial Management**

Trustees have collective responsibility for financial decisions that are made in the context of how the school is run and are answerable to parents and the wider community. The Board of Trustees, supported by information and advice provided by the Executive Head Teacher, decides the strategic direction of the school. Responsibility for the implementation of financial decisions remains with the Executive Head Teacher.

### **1.6 Scheme of Financial Delegation**

All Saints Multi Academy Trust has a detailed Scheme of Financial Delegation that sets out the financial responsibilities retained by the Board of Trustees as well as the delegation to the executive head teacher, 2 school head teachers and other members of staff within the school. A copy of this Scheme can be found on the Trustees area of the school website. This document is reviewed and approved by the Board of Trustees annually, as reflected in the minutes of their meetings.

In addition to the school's Scheme of Financial Delegation, Trustees are made aware of the

Academy Funding Agreement and the Academies Financial Handbook as part of their induction training.

The school also maintains individual job descriptions for the Executive head, Head Teachers, Chief Finance and Operations officer and all others involved in the financial management of the school, setting out clearly defined levels of financial responsibility, including their relationship with the Board of Trustees.

### **1.7 Financial Policies**

The Board of Trustees is responsible for ensuring that a number of policies are in place and regularly reviewed. These are available in school and all staff and Trustees are made aware of these policies through their induction training.

### **1.8 Review of Financial Procedures**

Trustees annually, or following any significant changes to the financial practices being operated or to The Academies Handbook, will review this finance procedures manual. Approval of the manual will be reflected within the trustee minutes. The manual is available to staff and Trustees.

### **1.9 Role of the Finance & Business Committee**

Although there is no requirement for schools to have committees, the Board of Trustees has agreed that it will fulfil some of its responsibilities through committees. The Board of Trustees of All Saints Multi Academy Trust operates through the following committees:

Finance and Business committee  
Remuneration Committee

Terms of reference and membership for each committee are reviewed on an annual basis.

The Finance & Business Committee comprises a minimum of 3 Trustees,

The Committee oversees the planning and implementation of the annual budget and then recommends this budget to the Full Board for approval. It monitors value for money and considers the areas of potential savings and the use of those savings into specific areas where educational standards can be improved.

Decisions are made on how to expend funding that becomes available during the financial year of both a capital and revenue nature. These proposals will be consistent with the School Improvement Plan.

The tasks that are carried out by the Finance & Business Committee are outlined within their Terms of Reference.

### **1.10 Reporting Financial Updates to Trustees**

The school ensures that the Board of Trustees is kept fully informed about financial issues and developments at meetings of the Finance & Business Committee by recording the details in the minutes. Following discussion, any issues of a significant nature are then fed back to the Full Board of Trustees. In addition, a finance and resources update are given at all calendared Board of Trustees meetings. The Chief finance and Operations officer also circulates monthly financial reports to the Board of Trustees.

### **1.11 Role of the Executive Head Teacher**

Within the framework of All Saints Multi Academy Trust's development plan and Scheme of Delegation as approved by the Board of Trustees, the Executive headteacher has overall executive responsibility for All Saints Multi Academy Trust's activities including financial activities. Much of the financial management has been delegated to the Chief Finance and Operations officer but the Executive Head Teacher still retains responsibility for:

- Approval quotations, up to £5,000, for work on behalf of the school and reporting back to the Finance & Business Committee.
- Day to day management of the school's budget and ensuring a sound system of internal control is in place.
- The Executive Head Teacher is supported by the Chief finance and Operations officer in ensuring that the processing of school financial transactions takes place.
- Ensuring that the requirements of the Academies handbook are implemented and adhered to.
- Approving new staff appointments in consultation with the Finance & Business Committee.
- Authorising contracts up to £5,000 in conjunction with the Chief Finance and Operations officer.
- Signing cheques in conjunction with other authorised signatories and in accordance with the bank mandate.
- Oversees the expenditure of the Curriculum Departments and ensures that the curriculum managers are kept up to date on the balances in the accounts for which they are responsible.

### **1.12 Role of the Chief Finance and Operation officer**

Working with the Executive Head and heads of schools the Chief Finance and Operation officer prepares the initial draft annual budget for the school, which is submitted to the Finance & Business Committee for discussion, and reporting to the Full Board of Trustees for approval. The Chief Finance and Operation officer also provides specific expertise in long-term financial management and is involved in a number of areas of activity including:

- budgeting
- providing financial advice
- accountancy
- monitoring income
- liaising with payroll providers in the administration of the payroll
- arranging and checking insurance
- assisting where required in costing projects undertaken by the school (building works, contracts, etc.)
- developing financial policy.

Full details of all areas of responsibility are set out within the Job Description for this post. Refer also to the Trusts Scheme of Financial Delegation.

### **1.13 Role of Other Staff in Financial Management and Administration**

In order for the financial system to operate well, staff with financial responsibilities must act with competence and integrity. As part of the interview and selection process, the school specifies the qualifications, experience and personal qualities desired for the post within the person specification. Staff are encouraged to review any training sessions offered both internally and by external providers in order to expand the knowledge that they already hold or to bring them up to date with current practices and expectations.

### **1.14 Register of Pecuniary (Business) Interests**

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all, All Saints Multi Academy Trust Trustees and staff are required to declare any financial interests they have in companies or individuals from whom All Saints Multi Academy Trust may purchase goods or services.

The register includes all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with All Saints Multi Academy Trust. The disclosures also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a trustee or a member of staff by that person.

The existence of a register of business interests does not detract from the duties of Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees or a committee. Declaration of interests is a standing item on all committee and full Board of Trustees meetings. Where an interest has been declared, Trustees and staff should not take part in any decision making for that part of any committee or other meeting.

- The register is retained by the Clerk to the Board of Trustees and shows:-
- The name of the trustee / staff member (including close family members).
- The nature of the business or personal interest.
- The name of the organisation or person which gives rise to the interest.
- An indication of the circumstances in which a conflict might arise (if this is not already obvious).

No trustee or member of staff accepts gifts or hospitality from current or potential suppliers which do not comply with the gifts and hospitality policy. Any gifts or hospitality should be declared on the hospitality register where required.

### **1.15 Whistle Blowing**

The school has a whistle blowing policy. This has been formally endorsed by the Trustees, as reflected in their minutes, and brought to the attention of school staff and new Trustees as part of their induction training.

## Contents

<b>2</b>		<b>Internal Financial Control</b>
	<b>2.1</b>	Separation of Duties
	<b>2.2</b>	Approved signatories
	<b>2.3</b>	Maintenance of complete and permanent records
	<b>2.4</b>	Review and assessment of procedures
	<b>2.5</b>	Audit arrangements
	<b>2.6</b>	Internal Scrutiny
	<b>2.7</b>	Risk management

## **2.1 Separation of Duties**

All Saints Multi Academy Trust maintains this manual of detailed procedures in order to reflect the day-to-day management of financial administration. As far as possible, the allocation of duties has been made to ensure that the same person is not responsible for a process from start to finish in order to reduce the risk of error or intentional manipulation. Where this is not possible, the Executive Head teacher, Head teacher or Chief Finance and Operation officer undertakes some form of internal check, e.g. review the bank reconciliations, signing of trip reconciliations, review of paying-in slips, etc. As far as is possible, the following functions are separated:

- Authorisation
- Execution

(E.g. the authorisation of orders is separated from the placing of orders and raising of cheques, etc.)

## **2.2 Approved Signatories**

Authorisation of all transactions are a key internal control. Staff are expected to exercise authority only where they have been delegated the power to do so. Authorisation is clearly recorded by the individual's signature and printed name or by email. External agencies, notably the payroll provider, are notified of changes to authorised personnel promptly.

All orders and invoices are authorised for payment by the delegated Budget Holder. Details of all Budget Holders are held within the FMS accounting package (SAGE) and the Chief Finance and Operation officer holds a separate list detailing the name of the budget holder and details of their spending limits. This record is retained securely in the trust office.

## **2.3 Maintenance of Complete and Permanent Records**

All Saints Multi Academy Trust ensures that complete financial records are maintained at all times so that transactions are traceable from the original documentation to the accounting records and vice versa. Where amendments are required, the person making the change initials the alteration. Where required records are authorised or approved independently from the person completing them Records are retained for the length of time recommended by statute

## **2.4 Review and Assessment of Procedures**

The Chief Finance and Operation officer continually assesses each of its financial systems as part of the annual review of the risk register.

## **2.5 Audit Arrangements**

The Trustees of All Saints Multi Academy Trust ensure that access to financial records will be given to the Internal Auditor and External Auditors, Registered Inspectors or their inspection teams and Her Majesty's Taxation Authorities for the purposes of audit inspection.

## **2.6 Role of the Internal Auditor**

The Board of Trustees ensures that assurance is delivered through independent challenge (internal audit). This function is provided by the use of a programme of Internal Scrutiny work by a firm of Chartered Accountants. This work is overseen by the Finance and Business Committee

and provides the Board of Trustees with independent assurance that the principles of a suitable control framework are in place which must include:

- co-ordinating the planning and budgeting processes
- applying discipline in financial management, including managing banking, debt and cash flow, with appropriate segregation of duties
- preparation of monthly budget monitoring reports
- ensuring that delegated financial authorities are respected
- effective planning and oversight of any capital projects
- the management and oversight of assets
- the propriety and regularity of financial transactions
- reducing the risk of fraud and theft
- ensuring efficiency and value for money in the organisation's activities
- a process for independent checking of financial controls, systems, transactions and risks

The Internal Auditor will undertake an annual programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Board of Trustees. A report of the findings will be presented to the Finance and Business Committee

## **2.7 Risk Management**

All Saints Multi Academy Trust undertakes a regular review of the areas of risk within the school both in terms of people and premises, including the following areas:

- identifying and assessing risks
- determining appropriate actions
- implementing the actions
- monitoring the results
- providing feedback

The Executive Head Teacher and the Chief Finance and Operation officer of All Saints Multi Academy Trust lead on the assessment process and determines the possibility of an event occurring.

## Contents

<b>3</b>		<b>Banking Arrangements</b>
	<b>3.1</b>	Account arrangements
	<b>3.2</b>	Cheque security and signing
	<b>3.3</b>	Security and control over cheque stationery
	<b>3.4</b>	Accounting for all cheques
	<b>3.5</b>	Changing account signatories
	<b>3.6</b>	Direct debits and standing orders
	<b>3.7</b>	Business Cards
	<b>3.8</b>	Cashing facility
	<b>3.9</b>	Reconciliation process
	<b>3.10</b>	Cashflow forecasting
	<b>3.11</b>	Prohibition of any form of credit arrangements



### **3.1 Account Arrangements**

The Board of Trustees has agreed that All Saints Multi Academy Trust deposits all funds within the bank account set up by the Academy Trust as detailed below:

Full Title of Account	Account No & Sort Code	Bank & Branch
ALL SAINTS MULTI ACADEMY TRUST	30-65-62, 33767668	Lloyds Liverpool Church Street Branch P O Box 1000 BX1 1LT

### **3.2 Cheque Security and Signing**

The Trustees of All Saints Multi Academy Trust have agreed that the signing of schools cheques has been delegated to:

Headteacher of ASFA	Kevin Maddock
Headteacher of ASTN	Jennifer Sing
Executive Headteacher	Heather Duggan
Chief Finance and Operations officer	Annemarie Robb

Two of the above authorised signatories are required to sign school cheques. The school has completed the required forms to instigate these arrangements with Lloyds and copies are retained securely in the Trust office.

In the event that a cheque is made out to the Executive Headteacher or Head Teacher, any two signatories other than the Head Teacher will act as joint cheque signatories. This will also apply to other signatories who may receive a cheque reimbursement.

### **3.3 Security and Control over Cheque Stationery**

The Chief Finance and Operation officer is responsible for controlling cheques and/or cheque books in issue. Cheque books are ordered automatically, printed cheque stationery is ordered as required. When not in use, cheques, cheque books and printed cheque stationery are kept securely. Access is restricted to the following personnel:

- Chief Finance and Operation officer
- Finance manager

### **3.4 Accounting for all Cheques**

The Finance manager is responsible for periodically checking the sequence of unused cheque books to ensure that all unused cheques can be accounted for. Any anomalies are reported to the Chief Finance and Operation officer immediately and the bank informed not to honour cheques which cannot be accounted for.

### **3.5 Changing Account Signatories**

All changes to the authorised signatures must be reported to the Finance & Business Committee.

### **3.6 Direct Debits and Standing Orders**

The Finance manager will maintain a schedule of all direct debit and standing order payments set up on the school's account(s) showing:

- payee
- reason for payment
- amount
- date set up
- frequency / timing of payment

These are only set up after careful consideration regarding the risk of error and the Trusts ability to meet the on-going cost. All mandates are signed by two of the authorised signatories. The mandates are retained in the trust office.

All direct debit and standing order payments reflected on the bank statements are reconciled to the invoices received and any receipts obtained (e.g. phone rentals). Refer also to paragraph 3.7 below regarding business cards. The supporting documentation is filed with the paid invoices.

The Chief Finance and Operation officer will undertake a spot check of these procedures on a termly basis.

### **3.7 School Charge Card**

With the ever-growing use of the internet to purchase resources at competitive prices the need for a school business card has been recognised. A school charge card has been arranged through the bank and authorised signatory forms and the card are retained securely in the trust office. Any use of the card is charged to the main bank account automatically on a monthly basis. Use of the card is strictly limited through the Chief Finance and Operation officer and Finance manager with all receipts being securely held in the trust office at the time the purchase is made. These are then matched to the statements when received. Wherever possible formal tax receipts are obtained in order to allow the school to recover VAT.

The school has adopted a policy regarding the use and security of the charge card. This must be read by the cardholder. Any non-compliance with this requirement must be reported to the Chief Finance and Operation officer and consideration given to cancelling this facility. The charge card procedures are reviewed by the Finance & Business Committee at appropriate intervals.

### **3.8 Cashing Facility**

The trustees have decided to enable the Finance Assistants to withdraw cash from the Lloyds Bank branch Breck road. A copy of the form is retained securely within the trust office.

### **3.9 Reconciliation Process**

Printed bank statements are received from the bank on a monthly basis.

The Chief Finance and Operation officer with support from the Finance manager is responsible for carrying out the reconciliation of all accounts through the accounting package (FMS). The reconciliation must be done at least on a monthly basis but more frequently if possible.

Once the items on the bank statements have been cleared, the list of unreconciled items is reviewed, and examined for old expenditure items and outstanding income items. All cheques that have not been presented at the bank within six months of production are investigated and written back into the account, where appropriate. Outstanding income items are investigated and chased through the bank, where appropriate.

Once the reconciliation process has been completed, the 'bank reconciliation' reports are extracted from the accounting package and a full reconciliation completed by the Finance manager. This is then reviewed and signed by the appropriate Head teacher. The reports are filed with the corresponding bank statements.

### **3.11 Cash Flow Forecasting**

The school is aware that it is not permitted to go overdrawn at the bank and, in the event that the school becomes aware that there are insufficient funds available to meet current commitments, the school will contact the Education & Skills Funding Agency for guidance.

The school monitors its bank position on a daily/weekly/monthly basis with formal bank reconciliations and on a monthly basis and revised forecasting and monitoring of the budget. These reports are shared with all of the Trustees monthly.

### **3.12 Prohibition of any Form of Credit Arrangement**

Generally, schools are not permitted to borrow money, unless they have the approval of the Secretary of State. The Executive Head Teacher will ensure that the school does not enter into any finance/purchasing arrangement that is deemed to represent a credit arrangement, e.g. finance leases, without the appropriate approval.

## Contents

<b>4</b>		<b>Budgeting and Financial Planning</b>
	<b>4.1</b>	Benchmarking
	<b>4.2</b>	Annual budget
	<b>4.3</b>	Accounting package
	<b>4.4</b>	Budget holders
	<b>4.5</b>	Treatment of earmarked funding and reporting of significant activities
	<b>4.6</b>	Changes to budget allocations
	<b>4.7</b>	Sixth form funding

## **4.1 Benchmarking**

All Saints Multi Academy Trust recognises the benefits in using benchmarking information to learn from others in implementing changes to spending patterns to help deliver educational priorities.

The school reviews benchmarking data as and when required. The extent and depth of review depends on what the data reveals compared to previous reviews and the school's current circumstances. This exercise will be carried out annually as a minimum to help inform the first annual budget.

In order to obtain comparative data, the school uses via the Education & Skills Funding Agency website. The information is used to determine how the school compares with other similar establishments. The results of the benchmarking exercise are pulled together by the Chief Finance and Operation officer and presented to the Finance & Business Committee.

## **4.2 Annual Budget**

The school has a budget preparation timetable to ensure that the budget setting process is clear and that all stages are undertaken by the required deadlines.

The Trustees consider the spending priorities in the light of the budgeted income and expenditure.

Clear documented notes are maintained by the Chief Finance and Operation officer regarding the budget preparation, e.g. what assumptions were made, what factors incorporated, what risks attached, how have figures been calculated, etc. The Chief Finance and Operation officer prepares a report for Trustees showing the basis for compiling the budget and this is presented to them for discussion. This includes a review of the previous year's financial performance.

The Board of Trustees is aware of the requirement to set a balanced budget and that it cannot budget for a deficit.

Expenditure **must** be for the education and purposes related to the school.

The budget process starts with the Senior Management Team deciding on major expenditure, as directed by the School Improvement Plan together with any major issues that have arisen.

As part of the budget setting process, the school's staffing arrangements (both teaching and support staff) are reviewed by the Head Teacher, and the Chief Finance and Operation officer to take into consideration incremental changes, planned structural changes and any other factors known at this time, e.g. staff changes.

This is balanced against the available resources for the same period, and the contingency element of the budget required by the Board of Trustees, taking into consideration the funding information issued by the ESFA prior to the commencement of each financial year.

The budget is prepared in a format which separately identifies income and expenditure and is split between revenue and capital allocations. This facilitates completion of returns and ensures consistency with the accounting system and the returns submitted to the ESFA.

The draft budget is circulated to the members of the Finance & Business Committee prior to their meeting to discuss it so that they can consider it and obtain any further information and explanations they feel are necessary to gain a thorough understanding of the budget. Any

assumptions used are highlighted clearly and attention is drawn in particular to areas of sensitivity.

The annual budget is then referred to the Board of Trustees for approval.

Once the annual budget has been approved, all appropriate ESFA returns are completed within deadlines.

The budget is regularly reviewed and revised as necessary and presented for further consideration to the Finance and Business Committee and Board of Trustees. Finance and Business Committee ensures that actual income and expenditure during the year is monitored closely and compared against budgeted income and expenditure. All information is reported back to the Full Board of Trustees at termly meetings.

The Chief Finance and Operation officer will report to the Finance and Business Committee any proposals for policy changes that significantly affect the expenditure or income budgets.

The Trustees of All Saints Multi Academy Trust ensure that there are clear plans for any carried forward surplus year on year above the amounts stipulated in the reserves policy. The budget is compiled to ensure only a prudent level of under spend with reserves being held either for contingency planning or major investment over a period of time.

#### **4.3 Accounting Package**

The approved budgeted income and expenditure is entered into the accounts system (FMS).

The Chief Finance and Operation officer supported by the Finance manager will transfer the reported figures into budget departments and nominal ledger codes where applicable ensuring that the figures match that approved by the Board of Trustees.

#### **4.4 Budget Holders**

The Chief Finance and Operation officer is responsible for notifying budget holders in writing of their allocation together with guidance on how it can be spent.

#### **4.5 Treatment of Earmarked Funding and Reporting of Significant Activities**

The school may receive allocations of earmarked funding. In drawing up the budget, All Saints Multi Academy Trust ensures that all streams of funding are specifically identified along with any criteria against which this funding must be used, e.g. Pupil Premium, Bursary. These strands of funding are taken into consideration when putting the budget together and are specifically highlighted to Trustees when approving the budget.

In addition to the earmarked funds, the school may operate a number of large activities, e.g. In-house catering, LSSP etc. These are also separately reviewed as part of the annual budget setting process. The Finance manager records income and expenditure relating to earmarked funds and any significant activities in such a way as to allow this income and expenditure to be separately identified and reported. The areas of earmarking funding and projects are separately monitored as part of the on-going budget monitoring arrangements of the school.

#### **4.6 Changes to Budget Allocations**

All movements to the budget after approval by Trustees are formally recorded and approved within Finance and Business Committee minutes.

The finance software maintains records that will enable the current budget to be compared to the original budget (if the two differ). This information is reported to Trustees at each meeting.

#### **4.7 Sixth Form Funding**

All Saints Multi Academy Trust is aware that the funding provided for its sixth form students is based on the information provided by the school. It is, therefore, vital that this information is completed accurately and on a timely basis.

The returns are completed by the school and all supporting records are retained as at the date of submission.

As part of the school's forecasting and continuing development, it uses guidance and formulae to indicate any potential changes in the level of funding that the school could achieve if the number of students, subject choices and success rates were changed.

## Contents

<b>5</b>		<b>Financial monitoring and reporting</b>
	<b>5.1</b>	Internal monitoring
	<b>5.2</b>	Reporting to the ESFA
	<b>5.3</b>	Risk Register



## **5.1 Internal Monitoring**

Following the month end procedures set out in Section 6 a number of budget monitoring reports are extracted for the various Budget Holders by the Finance manager. All reports extracted are initially reviewed and, where appropriate, annotated, by the Chief Finance and Operation officer.

The Board of Trustees and staff of All Saints Multi Academy Trust will be regularly consulted to ensure that the financial management information they receive is relevant, timely, reliable and understandable.

### **Departmental Budget Holders**

Budget Holders are accountable for items of expenditure and income they directly control. It is the responsibility of the Budget Holder to ensure that their budget is being spent in the most beneficial way for their department. They must ensure they are receiving value for money for every purchase.

Each Budget Holder is provided with a termly summary of the budget giving:

- total spend
- outstanding commitments (i.e. order placed but invoice not yet received / paid)
- budget
- balance left

The Budget Holder is required to examine the reports to ensure that the transactions are as expected and that the report represents an accurate statement of the budget position. Where there are any queries, the Budget Holder is required to contact the finance manager in the first instance to establish the reason and action required, if appropriate.

At any stage, if concerns arise over the spending pattern of a particular cost centre it is raised in the first instance by the finance manager with the Budget Holder. After discussion decisions will be made on an appropriate course of action. The accounting system will not allow any overspend against a budget without prior approval from the Chief Finance and Operation officer, who will then consult the Head teacher and Executive head teacher.

### **Chief Finance and Operation officer**

The Chief Finance and Operation officer will provide the Executive Head teacher, Headteachers and Finance and Business Committee a detailed report of the whole trust and individual school income and expenditure, giving:

- actual income / expenditure
- budgeted income / expenditure
- whole year budget
- actual vs. whole year
- forecast or outturn
- variance forecast outturn to budget

The variance forecast outturn to budget will reflect:

- any significant variances between the agreed budget and the actual position to date

- the reasoning behind the variances (outstanding bills, increased overtime due to sickness, pending insurance claims, etc.)
- proposals for addressing any issues that have been identified

The report will also show where income is earmarked for specific purposes and, therefore, not generally available to meet any other expenses.

The report will also reflect capital income and expenditure separately from revenue so that the two allocations do not become confused. The report will also give the full balance sheet position at the time of preparation. Trustees will receive system generated reports to give them assurance that all of the information being used is in line with the system, bank statements etc. These variance reports will support the monitoring information provided to the Finance and Business Committee.

### **Finance and Business Committee**

On a termly basis, the members of the Finance and Business Committee are provided with:

- a summary of the whole trust and individual schools' income and expenditure for that period, giving
- actual income and expenditure
- budgeted income and expenditure
- variances
- balance sheet items such as fixed assets and depreciation, creditors & debtors

They also informed of any movements between existing budget headings at this stage. All movements are reviewed to ensure that they are in line with the trusts overall aims and objectives.

All reports are derived directly from the school's FMS accounting package.

The Finance and Business Committee authorise any adjustments (e.g. new funding) to the annual budget.

In addition to the budget monitoring reports, the members of the Finance and Business Committee are also provided with the following records, as required:

- details of any relevant financial issues being considered / implemented at the time
- accounts relating to any area of spending they wish to monitor, paying particular attention to areas of earmarked funding and specific activities, e.g. IT refresh, Hard FM contract etc.

Funds devolved to the school on an earmarked basis must be used for the purposes given. An institution providing earmarked funds may recover any funds that are not spent for the purposes prescribed or not spent in-year.

### **Board of Trustees**

The members of the Board of Trustees meet on a termly basis and receive copies of the minutes from all committee meetings that reflect all decisions made and responsibilities for actions to be taken, with their agenda. In addition, all Trustees can access all of the monitoring reports and information on Governor Hub. The latest monthly monitor is discussed at each Full Board meeting. The year-end accounts are presented to the Full Board by the external auditor for approval each year.

## **5.2 Reporting to the Education & Skills Funding Agency**

The ESFA publishes an accounts direction each year setting out its requirements for the preparation of the academy trusts annual reports and financial statements. The Chief Finance and Operation officer ensures that all returns are sent to the ESFA within the deadlines published.

## **5.3 Risk Register**

The Board of Trustees of All Saints Multi Academy Trust ensures that there are robust systems for identifying, controlling and monitoring all significant risks. To achieve this, the Board of Trustees has nominated the Chief Finance and Operation officer to oversee the allocation of responsibilities and financial procedures on an annual basis to ensure that:

- separation of duties is maintained
- internal controls operate within each financial system
- procedures are still current and relevant

The school undertakes an annual self-assessment of its financial systems. This work is supported by the findings from the Internal Auditor. The results from this are used by Trustees when considering the risks and the need to disclose any significant weaknesses.

## Contents

<b>6</b>		<b>Accounting Routines</b>
	<b>6.1</b>	Guidance Materials
	<b>6.2</b>	Month end procedures
	<b>6.3</b>	Coding structure
	<b>6.4</b>	Year-end/closedown procedures
	<b>6.5</b>	Suspense, holding and control accounts

## **6.1 Guidance Materials**

All Saints Multi Academy Trust operates its Academy FMS financial package in accordance with the guidance materials issued by SAGE in conjunction with advice received from the appointed auditors.

## **6.2 Month-End Procedures**

The month-end routine is undertaken by the Finance manager. In order for relevant budget monitoring information to be produced, the school's accounting package must be up to date. The school has a set month-end routine regarding the school's financial package to ensure that the accounts are up to date prior to the budget monitoring reports being produced.

This includes ensuring that:

- all postings onto the computerised financial management are brought up to date
- all debtors, creditors, commitments are identified and entered on software. Workings for all such items are retained on file.
- bank reconciliations are performed, printed, checked, signed and kept on file (please refer to Section 3)
- control accounts are reviewed and cleared where needed
- budget monitoring reports are printed and monitored (please refer to Section 5)
- VAT returns are completed on a regular basis, preferably each month (please refer to Section 12)
- other journals or transactions, e.g. trading accounts, earmarked funds are updated.

Reconciliations are carried out between all relevant systems by the Finance manager (e.g. Parentpay to FMS to bank, payroll system to FMS to bank etc.)

## **6.3 Coding Structure**

All Saints Multi Academy Trust has set up its coding structure in order to provide the required reports for Auditors, ESFA and Trustees.

## **6.4 Year-end /Closedown Procedures**

The year-end routine is undertaken by the Chief Finance and Operation officer. At the end of each financial year (31<sup>st</sup> August) a "soft close down" is performed in the software until all accruals and prepayments have been identified and processed, and all reconciliations and control accounts have been successfully performed.

Once all periods have been closed the year-end procedure is run following the guidance provided by SAGE (FMS) and accountants.

When completing the year-end the Chief Finance and Operation officer reviews the accruals taking into consideration:-

- Accrued Income: includes any income due but not yet accounted for in the debtor system
- Prepayments: includes payments made in advance for school trips, contracts/service level agreements issued on a different financial year e.g. April - March, courses booked and paid for in advance.

- Accrued Expenditure: supplies and services already received but not yet paid for.
- Deferred Income: includes income received for an activity taking place in the following financial year, e.g. school trips

After all year-end adjustments have been taken into consideration and the final accounts have been prepared by the Accountants a final close is performed.

### **6.5 Suspense, Holding and Control Accounts**

All suspense and holdings accounts (e.g. any used for the payroll operation) are reviewed by the Finance manager on a monthly basis and cleared regularly.

The VAT control account is monitored as part of the month end procedure to ensure that all expected reimbursements have been received. All Saints Multi Academy Trust is aware that it has a three-year deadline for recovering VAT and that any reimbursements not received within this time will no longer be recoverable and would need to be written out of the package.

## Contents

<b>7</b>		<b>Payroll and Employee Expenses</b>
	<b>7.1</b>	Staff contract arrangements
	<b>7.2</b>	Authorisation of appointments
	<b>7.3</b>	Pre-employment checks
	<b>7.4</b>	Notification of payroll changes to HR Payroll Providers
	<b>7.5</b>	Compliance with PAYE requirements
	<b>7.6</b>	Payroll bureau
	<b>7.7</b>	Change in payroll arrangements
	<b>7.8</b>	Retention of personal information
	<b>7.9</b>	Timesheets
	<b>7.10</b>	Staff deductions
	<b>7.11</b>	Payroll reports
	<b>7.12</b>	Expenses – general
	<b>7.13</b>	Travel expenses

### **7.1 Staff Contract Arrangements**

The Trust HR Manager and Chief Finance and Operation Officer have responsibility for processing all staff contracts and contract changes which are communicated on to our payroll provider (The Access Group).

### **7.2 Authorisation of Appointments**

All Saints Multi Academy Trust acknowledges that the Executive Head Teacher and Head teachers have a professional duty to participate in the selection and appointment of teaching and non-teaching staff, with the exception of the Executive Head Teacher. All staff appointments and promotions, etc., within the annual budget are made in accordance with the school's Pay Policy and authorised by the Executive Head Teacher. (Documentation for the Executive Head Teacher is signed by the Chair of Trustees). All staff changes are notified to the Finance & Business Committee.

Appointments are made following a formal process of advertisement, short listing, interview/selection procedure and notification of offer. The Executive Head teacher, Head teacher and Trust HR Manager ensure that records are kept of all key stages in this process.

### **7.3 Pre-Employment Checks**

Before a member of staff is allowed to take up their position, All Saints Multi Academy Trust ensures that thorough checks are undertaken to prevent unsuitable people from gaining access to children and to maintain the integrity of the teaching profession. These checks include:

- identity confirmation
- academic qualifications, where appropriate
- professional and/or character references
- previous employment history
- DBS clearance
- Health Clearance
- Legal right to work in the UK

Detailed procedures are in place for those members of staff who are involved with the appointment process.

### **7.4 Notification of Payroll Changes to Access Payroll**

Payroll Services are notified as early as possible in the event of appointments, terminations, promotions, etc., to ensure that overpayments and other errors are reduced to a minimum. For new starters, variations to contracts, maternity and paternity the changes are entered onto the HR system and are then extracted to the payroll system by the payroll provider, Access.

Refer to subsection 7.6 below for authorisation of payroll notifications.

Copies of relevant correspondence with the Payroll Services are retained within individual staffing files on the electronic filing system.



## **7.5 Compliance with PAYE Requirements**

The Board of Trustees is aware that it must ensure that all salaries, wages, fees and other remuneration due to staff and other individuals, whether under a formal contract of employment or not, are paid through a formal payroll system.

In some instances, the school may consider the use of individuals for certain services, e.g. workshops, consultancy, etc. where their normal employment deems them to be self-employed. However, the school is aware that, dependent upon the nature (and circumstances) of the work that they are undertaking the school will need to ensure compliance with the appropriate legislation regarding income tax, National Insurance, pensions, sickness benefits, etc.

Any budget holder or other person proposing to engage the services of an individual should consult the Chief Finance and Operation officer as to whether that individual should be treated as an employee given the nature of the proposed engagement. The Chief Finance and Operation officer will complete a check via HMRC and/or seek clarification from the Academy's solicitor regarding the engagement.

## **7.6 Payroll**

All Saints Multi Academy Trust purchases the services of payroll, through The Access Group. The contract is reviewed on an annual basis by the Chief Finance and Operation officer, Executive head teacher and Trustees to ensure that it still meets the needs of the trust. Payroll are instructed that only written communication can be acted upon by them, signed by one of the following authorised signatories:

- Executive head teacher
- Chief Finance and Operation officer

## **7.7 Changes in Payroll Arrangements**

The Board of Trustees of All Saints Multi Academy Trust is aware that if it changes its payroll provider the proposed contract provision must be made within the contract to allow access by the Academy auditors to relevant records held by the payroll provider to enable the auditors to complete their enquiries effectively. If the school wishes to switch to an in-house payroll operation it must ensure that its proposed procedures meet the approval of the academy auditors. The Executive Head Teacher will ensure that these requirements are met.

## **7.8 Retention of Personal Information**

An electronic personnel file for all school staff is maintained by the Human Resources Department and access is restricted. These files contain copies of all contracts and any other related documentation, e.g. interview notes, letter of appointment, performance management, sickness records, etc. The Human Resources Department will ensure that these files are complete and up to date.

All payroll and personnel records are kept securely and treated with strict confidentiality. Access to records and data is restricted to the following authorised staff:

- Executive head teacher
- Head teacher
- Chief Finance and Operation officer and Finance manager

- Trust HR Manager and Trust HR Assistant

All Saints Multi Academy Trust is registered under the Data Protection Act and complies with all of the requirements. In addition, School is compliant with GDPR effective from 25<sup>th</sup> May 2018,

### **7.9 Timesheets**

All Saints Multi Academy Trust uses electronic claim forms on the HR system to request variable hours, e.g. staff overtime and additional hours, midday supervision hours, etc. These forms electronically progress to the Line Manager for confirmation and approval and then to the Trust HR & Payroll Manager. The Trust HR & Payroll Manager collates all claim details and obtains authorisation from the Chief Finance and Operations Officer. The claims are then processed on the HR system and extracted for payroll.

When reviewing claims the Chief Finance and Operation officer checks the hours and grades for known changes to reduce the risk of errors occurring. All payroll input and supporting documents will be retained for a period of six years for audit purposes.

### **7.10 Staff Deductions**

All staff deductions, e.g. pension contribution, childcare vouchers etc. are notified to the payroll provider through the HR system and extracted to payroll. These deductions are collected automatically by Payroll Services and paid over to the relative bodies. Requests by employees for deductions, e.g. pension scheme, union contributions, etc. must be made in writing. Similarly, any amendments to address, marital status, bank details, etc. must be made in writing or via the Self Service section of the HR system.

### **7.11 Payroll Reports**

On a monthly basis the Trust HR and Payroll Manager extracts reports from the payroll system that reflects:

- the full breakdown of pay for each member of staff for that month from gross pay through to net pay

Each month, the names reflected on the report will be checked by the Finance manager to ensure that they are bona fide and the costs for each individual are compared to the anticipated costs (e.g. the establishment listing) and any other input records, e.g. timesheets for variable hours. The finance manager will focus particularly on any new starters, leavers, persons receiving additional payments to ensure that these are correct. The finance manager will check each line individually together with the BACS calculation to ensure it is correct.

All unexpected payments will be queried with payroll provider. Once all data has been checked, the payroll report is jointly agreed by the Chief Finance and Operations officer and Payroll who are then authorised to proceed with the payroll run and authorise Lloyds to make BACS payments. All payroll charges are entered into the accounting package (FMS). Copies of all correspondence with Payroll Services are filed with the monthly payroll reports and are kept securely.

After payroll has run the finance manager checks each individual member of staff to check the accurateness of:

Individual bandings and actual amount for employee contributions to pension for both Teachers Pension and LGPS

Individual bandings and actual amount for employer contributions to pension for both Teachers Pension and LGPS

Individual % and actual amount for employee National Insurance contributions

Individual % and actual amount for employer National Insurance contributions

The information for Teachers Pension is then used as the basis for the End of Year Certificate which is audited annually.

Any discrepancies are raised with Payroll Services and under or overpayments will be adjusted at the next available payroll.

### **7.12 Expenses - General**

It is the policy of All Saints Multi Academy Trust that expenses will only be paid in respect of costs incurred while on school business. Staff are expected to make only incidental personal use of school facilities, e.g. telephone, photocopier, etc. If any member of staff wishes to make greater use of any facilities they must obtain permission of the Head teacher and a recharge of the cost-plus VAT will be made. Any significant non-compliance with the school's expected procedures will be reported by the Head teacher to the Finance and Business Committee who considers whether this should be reported to the Full Board of Trustees. Trustees will then decide whether the non-compliance with procedures should result in any action.

### **7.13 Travel Expenses**

Staff travel expenses which arise as a result of working on school business away from All Saints Multi Academy Trust premises or the individual Academy are claimed on a monthly basis using the expenses section of the HR system which is duly authorised by the line manager and the Chief Finance and Operation Officer. Claims made by the Executive head teacher and Heads of school are checked and verified by the Chief Finance and Operation officer who will seek authorisation from the Chair of Trustees when appropriate. For tax reasons, mileage can only be claimed for the excess mileage in travelling to All Saints Multi Academy Trust rather than between school and home.

Payment is only made when supported by authorised electronic claims. Payment thresholds will be in line with HMRC guidelines for both mileage and subsistence.

## **Contents**

<b>8</b>		<b>Order and receipt of goods/service</b>
	<b>8.1</b>	General
	<b>8.2</b>	Orders and requisitions (below the contract limit)
	<b>8.3</b>	Receipt of goods/services
	<b>8.4</b>	Outstanding orders/commitments

## **8.1 General**

It is the policy of All Saints Multi Academy Trust that all dealings with its suppliers and contractors be carried out in such a way as to preserve the integrity of All Saints Multi Academy Trust. It is also the policy of the School that best value for money be obtained at all times.

**8.2 Orders and Requisitions (below the procurement Threshold Limit)** – *please refer to section 11 on contracting for supplies and services in excess of this limit.*

The threshold level for the purposes of the Procurement Regulations as from 1<sup>st</sup> January 2020 for supplies and services is £189,330.

A potential contract must not be divided in order to avoid the need to implement Contract Regulations.

The purchase of goods or services below the threshold limit are categorised into agreed value thresholds to ensure that the appropriate amount of time is spent on the process relative to the size of the contract.

- Low value – up to £500
- Medium value – up to £5,000
- High Value – above £50,000

### **Low Value Orders**

These low value procurements do not require as detailed an approach as purchases of a higher value. However, the market should still be investigated prior to orders being placed to obtain value for money.

### **Medium Value Orders**

A specification and three written quotes will normally be obtained for supplies and services between £500 and £5k. In some circumstances this may not be the case if there is a limited number of contractors able or willing to engage in the procurement exercise. Orders will only be placed once they have been considered and approval has been obtained from the Heads of school.

### **High Value Orders**

As these purchases represent a significant proportion of the school budget, and exceed the delegated authority of the Heads of school, a more detailed approach is used for high value orders.

A detailed specification of what is required is provided to potential suppliers and advertised where possible.

A minimum of three written quotes must be sought where it is practical to do so and a full evaluation carried out factoring the importance of price versus quality.

Approval must then be sought from the Finance and Business Committee prior to any contract award.

Only once approval has been given can orders be placed.

All orders must be raised using the official school stationery and should be used for all goods and services.

Telephone orders are not encouraged and should only be used where this is absolutely necessary and authorisation is obtained in advance from the budget holder and Chief Finance and Operation officer. These orders should be retrospectively recorded in the FMS accounting package to ensure that all commitments are captured within the budget monitoring reports extracted from the system.

If an order is placed by any other person details must be provided to the Finance manager as soon as possible thereafter so that a proper record can be made.


Internet ordering is limited to items that cannot be purchased through the normal procurement process. When ordering over the Internet an order is raised as per procedures above and the official order number is issued to the Internet supplier if possible.

Where an order requires payment at the time that the order is placed/prior to the goods being delivered the school charge card should be used. Refer to Section 3.8. School orders should not be used to obtain goods and services for individuals or other organisations associated with the school.

No individual should purchase supplies or services on behalf of the school unless authorised to do so. Claims for reimbursement of expenses incurred personally may be refused if this requirement is not observed. It is essential for issues of ownership, liability and VAT recovery that it is always clear when an individual undertakes any purchasing or enters a commitment on behalf of the school.

If the supplier appears on the register of business interests and if the Finance and Business Committee has not specifically authorised transactions with the supplier, then the prior approval of the Chair of Finance & Business is obtained and recorded and filed with the register which will be examined at least annually by the Board of Trustees.

All Saints Multi Academy Trust uses order numbers generated through the FM (Sage) system. All orders for a single item, or combined order total must be signed in accordance with the delegation set out in the Scheme of Financial Delegation.

Any requirements for resources requested by Budget Holders should be communicated to the Trust office for processing only after ensuring that there is sufficient budgetary provision to meet the cost. The Finance manager or Chief Finance and Operation officer will enter the details onto Sage accounting package. When the order is generated within the FMS the Finance assistants will email it through to the relevant supplier. Any supporting documents will be attached to the order form and retained electronically in the trust office. 

### **8.3 Receipt of Goods / Services**

Deliveries are handled by the caretakers, receptionists, or Finance manager who sign the delivery note as to quantity of parcels received. Caretakers and receptionists only sign for delivery and are not responsible for verifying the contents, (unless the suppliers' terms make checks a point of delivery essential), but should ensure the correct number of packages, etc. are received as reflected on the delivery note.

The Admin department checks the contents of a delivery but if it is a large order for a specific Budget Holder it would be their responsibility to thoroughly check the goods as to quality and quantity against the original order.

The Budget Holder will advise any short deliveries, damaged goods, or other problems or queries with the trust office immediately. The trust office will take appropriate action.

Delivery notes should be given to the trust office for the Finance manager to place on file with the invoice when received.

It is the responsibility of the Budget Holder to ensure that all paperwork relating to accounts matters is forwarded to the trust office without delay.

#### **8.4 Outstanding Commitments / Orders**

All outstanding orders are shown on the budget monitoring reports as commitments. In order to ensure that the level of commitments is still appropriate, an 'outstanding order' report is extracted from the accounting package by the Finance manager and reviewed for appropriateness on a termly basis. Each Budget Holder is contacted and asked to ensure that the items reflected are still expected. The Finance assistants clears all cancelled orders from the system.

## Contents

<b>9</b>		<b>General expenditure controls</b>
	<b>9.1</b>	Invoice authorisation
	<b>9.2</b>	Invoice payment
	<b>9.3</b>	Payment made by standing order or direct debit
	<b>9.4</b>	Proforma invoices



## **9.1 Invoice Authorisation**

Budget Holders are responsible for all spending against their budget. The Finance manager must be satisfied that payment is properly due, i.e. that goods/services have been supplied on the terms agreed.

The invoice is confirmed either by email or budget holder signature confirming delivery.

The invoice details are entered on the Sage system.

## **9.2 Invoice Payment**

The Finance manager will process invoices and raise cheques for payment via the Sage accounting package providing:

- satisfactory receipt of the goods or services has been acknowledged by the Finance manager
- invoices accord with quotations, tenders, contracts or catalogue prices, as acknowledged by the Finance manager
- invoices are arithmetically correct and checked by the Finance manager
- discounts have been taken, where available
- invoices are made out in the name of the school
- invoices comply with VAT requirements

Invoices are not processed by the same person who raises and order for goods and services.

The BACS report/cheque is then prepared by the finance officers. The finance officers presents the cheque together with all supporting documentation to the finance manager for checking prior to submitting to cheque signatories for signing. Cheques can only be signed by authorised signatories in accordance with All Saints Multi Academy Trust's arrangements with its bankers.

The Finance manager collates all information. The cheque stub is attached and is then filed in cheque sequence and kept within the trust office.

To ensure that invoices are paid within the settlement terms stated on the invoice or within 30 days from the date of issue the Chief Finance and Operation officer and Finance manager monitor the unauthorised invoices on the Sage accounting package.

Discounts for prompt payment should be considered at all times.

## **9.3 Payments made by Standing Order or Direct Debits**

Please refer to Section 3.

## **9.4 Proforma Invoices**

Requests for staff reimbursement or payment where an official invoice cannot be obtained are supported by an internal proforma with supporting receipts or other documentation attached detailing what was purchased.

NB: No individual should incur expenditure on behalf of the school without prior authorisation. If the Chief Finance and Operation officer is not satisfied that the expenditure was necessary and/or value for money achieved, the individual may not be reimbursed.

## Contents

<b>10</b>		<b>Capital income and expenditure</b>
	<b>10.1</b>	General
	<b>10.2</b>	Devolved formula capital allocation
	<b>10.3</b>	Capital project plan – restrictions on ineligible expenditure
	<b>10.4</b>	Property/premises related projects – need to obtain approval from the area Planning Officer
	<b>10.5</b>	Accounting for capital income
	<b>10.6</b>	Accounting for capital expenditure

### **10.1 General**

The staff and Trustees of All Saints Multi Academy Trust will exercise the same controls for capital income and expenditure as required for revenue items. Please refer to sections 8, 9 and 13 regarding the raising of orders, the authorisation and payment of invoices, and general income controls.

### **10.2 Devolved Formula Capital Allocation**

On an annual basis, the school receives an allocation for Capital, according to the funding formula, from the ESFA.

### **10.3 Capital Project Plan – Restrictions on Ineligible Expenditure**

Trustees are aware of the need to raise formal contracts for works undertaken in the school, and that, depending upon the value, tenders and not just quotes may need to be obtained. Please refer to section 11 of this manual.

The Trustees are aware that the DFC allocation cannot be used for any form of revenue expenditure, e.g. for redecoration or leasing arrangements

### **10.4 Property / Premises Related Projects – Need to Obtain Approval from the Area Planning Officer**

Before any capital works are undertaken, consideration is given to the need to obtain consent from the Area Planning Officer.

### **10.5 Accounting for Capital Income**

The funding for Devolved Formula Capital has a dedicated code within the finance system to ensure it is recorded separately at all times.

Any other income received for the use of capital goods is charged to capital income, non DFC.

### **10.6 Accounting for Capital Expenditure**

All expenditure to be funded by capital income received is coded to the correct capital expenditure codes. DFC expenditure is charged against the dedicated DFC Expenditure code. Expenditure for Fixed Assets, including all costs related to a capital project, is recorded on the Fixed Asset register and transferred to the Balance Sheet in accordance with accounting policies and the Accounts Direction.

The Trustees of All Saints Multi Academy Trust are also aware that they are not permitted to enter into any form of borrowing without the approval of the Secretary of State (please also refer to Section 3 of this manual).

## Contents

<b>11</b>		<b>Contracting</b>
	<b>11.1</b>	Compliance with contract regulations
	<b>11.2</b>	Contract value and tendering requirement
	<b>11.3</b>	Roles required under contract regulations
	<b>11.4</b>	Contracting Maintaining
	<b>11.5</b>	Leases

### **11.1 Compliance with Contract Regulations**

All Saints Multi Academy Trust has put in place formal contract procedures. The Board of Trustees makes its buying decisions in accordance with the principles of 'best value' probity and accountability. Prior to entering into any arrangement with a supplier, All Saints Multi Academy Trust will consider the value of any single purchase or on-going arrangement. Where an arrangement requires a contract to be drawn up, or where it is unclear whether a contract is required, the following guidance is followed. This includes:

- considering the need for a tender process
- ensuring that the school avoids unlawful leases
- considering the employment status of consultants and suppliers being contemplated
- reviewing the risk assessment process
- ensuring appropriate DBS clearance is obtained
- maintaining appropriate contract records

The Health and Safety competence of contractors is assessed.

Only contractors registered with their professional or trade association will be employed to carry out major work at the school. Where practical, work is carried out at the end of the school day (term time), or during holiday periods.

### **11.2 Contract Value and Tendering Requirement**

Purchases for supplies and services with a total value in excess of £189,330 are subject to a formal tendering procedure. The value is determined by either the total value of the contract where the contract is for four years or less, or the value over a four-year period where there is no specified termination date or where this date is beyond four years. It is the responsibility of the Executive Head Teacher and the Finance and Business Committee to ensure that such procedures have been followed correctly, prior to agreeing the contract. The school will also seek specialist or legal advice prior to tendering to ensure that the correct procedures are followed.

### **11.3 Roles Required Under Contract Regulations**

All Saints Multi Academy Trust has appointed the following to undertake the required roles within the tendering process:

Executive Head teacher  
Head teacher  
Chief Finance and Operation officer  
Chair of Trustees  
Consultant (where required)

These roles are also set out within the school's Scheme of Financial Delegation.

Specialist advice will be sought and Trustees will be involved in this process over £189,330

### **11.4 Contract Monitoring**

The Chief Finance and Operation officer is responsible for ensuring service level agreements are in place and that they are monitored and reviewed. A formal review of all contracts is undertaken prior to renewal or annually.

All contractors' work is closely supervised by the Senior Caretakers.

The Chief Finance and Operation officer keeps a record of the monitoring undertaken and the results are reported on an 'exception only basis' to the Finance and Business Committee if the contract is premises related.

This review of contracts extends to all on-going arrangements with suppliers, regardless of value.

### **11.5 Leases**

All Saints Multi Academy Trust holds a number of leasing / rental arrangements. The trust is aware that it is only permitted to enter into operating leases and that all forms of financing are prohibited.

(Please also refer to section 3 regarding credit arrangements)

## **Contents**

<b>12</b>		<b>VAT</b>
	<b>12.1</b>	General
	<b>12.2</b>	VAT returns
	<b>12.3</b>	VAT accounting

## **12.1 General**

The finance manager is responsible for the administration of VAT within the school's Sage accounting package. This is processed in accordance with the guidance provided by the ESFA.

## **12.2 VAT Returns**

VAT 126 returns are extracted from the system at least on a quarterly basis but usually monthly and submitted to HMRC for reimbursement. All claims for reimbursement are prepared by the Finance manager and reviewed and signed by the Chief Finance and Operation officer.

## **12.3 VAT Accounting**

The Chief Finance and Operation officer ensures that the school has been reimbursed for all VAT due i.e. received payment for all claims submitted through careful monitoring of reports.

The finance manager also undertakes regular system reconciliations to ensure that the financial package properly reconciles, i.e. that the outstanding VAT claims match the amount reflected in the VAT control account within the financial package. Any discrepancies are addressed. Refer also to section 6 to this manual.

Only VAT on educational supplies and services can be reclaimed, any VAT on non-education supplies and services will be adjusted to 'out of scope' on the relevant invoices prior to inputting on the finance system.



## Contents

<b>13</b>		<b>General Income Controls</b>
	<b>13.1</b>	Voluntary contributions and the setting of charges for services
	<b>13.2</b>	Identification of income due
	<b>13.3</b>	Cash handling, storage, collection and banking
	<b>13.4</b>	Debt recovery
	<b>13.5</b>	Grants, earmarked funds and other such income

### **13.1 Voluntary Contributions and the Setting of Charges for Services**

The Trustees of All Saints Multi Academy Trust have drawn up a Charging Policy which outlines the circumstances under which charges and voluntary contributions are requested and when the remission of fees will apply. A copy of the charging & remissions policy is available in school.

The rates that the school proposes to charge for any future lettings are discussed by the Chief Finance and Operation officer Executive headteacher on an annual basis. The Chief Finance and Operation officer will ensure that the calculation covers costs (including overheads).

The Chief Finance and Operation officer is responsible for ensuring that income is requested and invoices raised for all chargeable activities.

For all other activities, voluntary contributions will be sought from the parents or guardians of those students attending. In certain circumstances, the cost of activities may also be significantly supported through specific fund-raising activities.

### **13.2 Identification of Income Due**

All provision of services or supplies for which a payment is due will be recorded, i.e. all 'sales' will be accounted for. This may take a variety of forms, e.g. letting of school facilities, school meals, purchase of study material, payments towards school trips, etc. Wherever necessary budgets are set for income based on past performance or estimates. However, if the income is not guaranteed no budget is set. Likewise, if the income is offset by expenditure costings will be shown on both sides of the budget which will not affect the bottom line.

Please also refer to the specific sections within the manual for the administration of the various areas of school income – sections 14 to 17.

### **13.3 Cash Handling, Storage, Collection and Banking**

All income is collected promptly and in full, is properly recorded and banked intact as soon as possible.

- Income only taken for small items such as pens and masks.

- Cash/cheques must be held securely by the member of staff concerned until such time as they can pass the money into the Trust office.
- The total income received for each area of income is recorded by the Finance manager who issues receipts to the staff concerned.
- All income collected will be secured within the school's safe facilities. (Refer to section 21 on security for further details.)
- **Prior** to banking, the cash and cheques are recounted by the Finance manager and checked by the Chief Finance and Operation officer. The amounts collated in the receipt book and Sage are totalled and checked to ensure that they agree to the income counted. (Refer also to section 3 on banking and cash security). Income is banked once a week. A banking courier company (Loomis) collects the banking of cheques every other Wednesday.
- The income collected is then posted to the appropriate budget headings within the Sage accounting package by the Chief Finance and Operation officer.
- Income collections are not used for the cashing of personal cheques or for other payments.

### **13.4 Debt Recovery**

The Trustees of All Saints Multi Academy Trust have drawn up a policy which outlines the steps to be taken when chasing outstanding income due to the trust. These procedures precede any potential decision to write the debt off. Where outstanding income cannot be collected the debt is referred to the Chief Finance and Operation officer along with any supporting records so that a decision regarding further action can be made, e.g. legal action. Where a debt is written off, a formal record is maintained after formal authorisation has been received (in accordance with the Scheme of Financial Delegation).

### **13.6 Grants, Earmarked Funds and Other Such Income**

The trust receives a number of grants and earmarked funds to support its activities. These may be subject to specific terms and conditions. The budget holder for these areas is responsible for applying for such funds and ensuring that they are spent appropriately overseen by the Executive Head Teacher and Head teacher. Income budgets are set up in all cases where funding is expected. The Chief Finance and Operation officer monitors the receipt of expected income.

## Contents

<b>14</b>		<b>School Journeys</b>
	<b>14.1</b>	Overview
	<b>14.2</b>	School visit budget statement/costing
	<b>14.3</b>	Letters to parents
	<b>14.4</b>	Collection and recording of parental/pupil contributions
	<b>14.5</b>	Accounting for expenditure
	<b>14.6</b>	Overall financial outcome
	<b>14.7</b>	School minibus

### **14.1 Overview**

On several occasions during the year students may make trips or visits away from the school. For each trip or visit a trip leader is assigned who will be responsible for ensuring adequate funding for the trip. The trip leader is aware of the school's trip policy and, in conjunction with the Chief Finance and Operation officer is responsible for accounting for the finances of the trip and ensuring the trip reconciliation is correct. (Safety, risk and insurance considerations must also be undertaken, but are not covered here.)

### **14.2 School Visit Budget Statement / Costing**

After the initial agreement from the Head teacher and Educational Visits Coordinator activities are formally costed.

The calculation takes into consideration all costs associated with the journey. Consideration is also provided as to whether the activity forms part of the educational activities of the school or is in addition to this. All educational activities are operated via the main school bank account.

### **14.3 Letters to Parents**

Once the costing has been agreed, the trip leader prepares a proforma letter to parents reflecting the proposed charge and/or voluntary contribution requested. This is passed to the school office for typing and distribution. Parental consent forms are also requested.

### **14.4 Collecting and Recording of Parent / Pupil Contributions**

Parents and pupils are encouraged to pay for trips via Parent pay wherever possible to reduce the amount of cash income collected. The Finance manager creates the trip on Parent pay and continually updates the trip leader. The Finance and Resources manager completes a monthly reconciliation of all parent pay transactions including trips to ensure that all income due has been banked with school and that income is correctly coded between various trips and catering income.

### **14.5 Accounting for Expenditure**

All expenditure incurred during an activity is recorded in dedicated trip file and on the school's Sage accounting system. Trips are recorded against a separate cost centre code set up within Sage. For residential trips or those of a more significant financial value a cost centre will be set up in FMS for that individual trip. Initial expenditure and/or deposits to secure a trip will only be paid out once the corresponding income has been collected from the pupils concerned.

For certain journeys, cash may be loaded on to a prepaid card from the school bank account to pay for sundry items. This withdrawal is reflected in the accounts, along with any unspent money that is repaid. All card expenditure is fully receipted with VAT receipts collected where possible. For foreign activities, we have a prepaid euro card which may be taken. This is treated in the same manner as cash transactions. However, as far as possible expenses are paid for in advance or on receipt of invoices/receipts.

### **14.6 Overall Financial Outcome**

Once an activity is complete, using the Excel spreadsheet, a final reconciliation is undertaken between the income collected and the expenses incurred. This reconciliation is completed by the Chief Finance and Operation officer, and shared with the trip leader. Where the final outcome is significantly different from the original costing, the reasons are established and

recorded. If there is a significant shortfall this will be reported to the Head teacher. All financial records relating to the activity are retained within the trust office.

#### **14.7 School Minibus**

The school has one minibus which is hired through Arval. The vehicle is under the management of the estates manager. Authorisation to drive the vehicle is given by the estates manager who also keeps control of the keys and minibus booking diary located in the trust office.

The minibus contains a log that reflects the date, the destination/reason for each journey, the start and finish mileage and the signature of the person using the vehicle. This log is checked on a regular basis by the estates manager to ensure that it is being correctly completed.

## Contents

<b>15</b>		<b>Schools Meals</b>
	<b>15.1</b>	In-house catering
	<b>15.2</b>	Income handling and recording
	<b>15.3</b>	Adult meals
	<b>15.4</b>	Free schools meals
	<b>15.5</b>	Official functions

### **15.1 In-house Catering**

The school uses in-house catering to provide meals for pupils and staff. Provision is reviewed by the Finance and Business Committee when required.

The school credits the income collected into the All Saints Multi Academy Trust Account.

### **15.2 Income Handing and Recording**

All income collected is managed through the school trust office where it is recounted and recorded in Sage and the relevant bank slip completed in preparation for the courier to collect once a week. Please also refer to the income section of this manual.

### **15.3 Adult Meals**

All adults taking a meal are expected to pay for these via their online Parent Pay Account or with cash at a reval machine. At present staff on lunch duty receive free lunch.

### **15.4 Free School Meals**

Families in receipt of certain benefits are entitled to free school meals, provided that they apply for them. Liverpool City Council Revenue and Benefits Service assesses eligibility for all new claimants however the parent is then responsible for informing the school accordingly. As advised by Liverpool City Council Revenue and Benefits Service, all eligible children as at 1<sup>st</sup> April 2018 are deemed to remain so until March 2022.

Where a student is entitled to receive free school meals, this information is fed into the computerised till system. The reports extracted from the system split the cooked meals between paid and free for monitoring purposes.

In the event that a family applies for free school meals, but is not successful, a retrospective charge will be made for any meals taken. Where a family has been entitled to free school meals, but their entitlement expires, the family will be responsible for the cost of any meals taken after the expiry date. All Saints Multi Academy Trust is aware that it does not have the power to provide free school meals to any students, other than those covered by the benefits already identified and who have been granted eligibility by the Academy.

### **15.5 Official Functions**

On occasion, All Saints Multi Academy Trust also requests the provision of refreshments for meetings, etc. through the school kitchen. The costs of these are built into the school budget plan currently under catering but a new budget line will be added for financial year 2021/22 under the heading 'hospitality'.



## Contents

<b>16</b>		<b>Lettings</b>
	<b>16.1</b>	Letting applications
	<b>16.2</b>	Insurance
	<b>16.3</b>	Schedule of Lettings
	<b>16.4</b>	Deposits
	<b>16.5</b>	VAT
	<b>16.6</b>	Invoicing

## **16.1 Lettings**

Lettings are currently managed via Actihire T/A Buddle Venues who offer a booking platform staffing for bookings. Any request for bookings should be directed to them in the first instance as they have access to school availability and timetables. The cost of lettings is negotiated and managed by Buddle Venues for which we receive 55% OF THE INCOME. The licence fee shall be based upon prices Actihire charges facility users for the use of the school facilities for the provision of community activities, as agreed between Actihire and the school on or before the commencement date. The school does not incur any costs associated with this contract.

## **16.2 Insurance**

Actihire will require facility users to produce to it evidence of their own public liability insurance where applicable, as part of the booking process and before they are given access to school facilities. Actihire and the school will maintain public liability insurance in the sum of at least £5,000,000 for any one or series of occurrences arising from the same event and employ liability insurance cover in the sum of at least £10,000,000 for any one occurrence or series of occurrences arising from the same event, with a reputable insurer throughout the Term of this agreement.

## **16.3 Schedule of Lettings**

A schedule of lettings is maintained by Actihire for the purposes of billing for use.

## **16.4 Deposits**

If considered appropriate 'one-off' hirers can be requested to pay a 10% deposit that is returnable after the event, providing that there is no damage or undue cleaning required. Deposits would be cashed in advance of the hire and returned within one week of the hire taking place.

## **16.5 VAT**

Advice would be taken from the school Accountants regarding any VAT issues however in most instances any expenditure incurred in the generation of such income would be deemed exempt from the recovery of VAT and VAT records should be updated accordingly. Charges should reflect all costs inclusive of VAT in this situation.

## **16.6 Invoicing**

Invoices for hire are raised and issued by Actihire and they are and they request a termly invoice for our proportion of booking income regardless if they have been able to recoup.

**Contents**

<b>17</b>		<b>Petty Cash</b>
	<b>17.1</b>	Floats

## **17.1 Floats**

All Saints Multi Academy Trust no longer operates a petty cash float

<b>18</b>		<b>School Assets</b>
	<b>18.1</b>	Asset management and Depreciation
	<b>18.2</b>	Inventory record
	<b>18.3</b>	Security of assets
	<b>18.4</b>	Removal of assets
	<b>18.5</b>	Inventory checks

## **18.1 Asset management and depreciation**

**School must seek and obtain written approval from the ESFA to acquire a freehold of land or buildings.**

Land & Buildings: An asset valuation as at xxx was carried out by xxx. Land is not depreciated. Buildings are depreciated over 60 years on a straight-line depreciation basis.

Furniture & Equipment: Assets valued at purchase price and depreciated on a reducing balance – 25% on the net book value.

IT equipment: Assets valued at purchase price and depreciated on straight basis line over 3 years.

## **18.2 Inventory Record**

The Board of Trustees of All Saints Multi Academy Trust is responsible for the safe custody of stocks, stores, cash and valuables at the school and in transit.

All items purchased with a value over All Saints Multi Academy Trust's capitalisation limit of £500 are recorded.

## **18.3 Security of assets**

Stores and equipment are secured by means of physical and other security devices. Only authorised staff may access the stores.

All the items in the register are permanently and visibly marked as All Saints Multi Academy Trust's property and there are regular (at least annual) counts by the premises team. Discrepancies between the physical count and the amount recorded in the register are investigated promptly and, where significant, reported to the Board of Trustees. Inventories of academy property are kept up to date and reviewed regularly. Where items are used by All Saints Multi Academy Trust but do not belong to it this should be noted.

## **18.4 Removal of assets**

**School must seek and obtain written approval from the ESFA for disposing of a freehold of land or buildings.**

Assets may only be disposed of with the prior approval of the Head Teacher, up to the value of £500 or the Finance and Business Committee for items in excess of this amount. All disposals are reported back to the Finance and Business Committee at their next meeting. The reason and method of disposal is recorded in the inventory (the entry should not be completely removed from the record at the time that the item is actually disposed of).

Items which are to be disposed of by sale or destruction are authorised for disposal by the Head Teacher and, where significant, are sold following competitive tender.

Disposal of equipment to staff should always be to the same value as could be reasonably reached by sale to non- staff, as a minimum. This should be evidenced to ensure that the school obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as All Saints Multi Academy Trust will need to ensure licences for software programmes have been legally transferred to a new owner.

### **18.5 Inventory Checks**

The school inventory is checked on an annual basis. Any discrepancies are noted and brought to the attention of the Chief Finance and Operation officer. All discrepancies are investigated and, where the value exceeds £500 the Finance and Business Committee is notified.

A separate record is maintained that reflects the date that the check was undertaken and the signature of the person undertaking it. This record is retained securely in the Reprographics Room.

## Contents

<b>19</b>		<b>Security</b>
	<b>19.1</b>	Security of cash and other assets
	<b>19.2</b>	Key holders
	<b>19.3</b>	Key cutting/replacement
	<b>19.4</b>	Computer systems
	<b>19.5</b>	Retention and disposal of accounting records
	<b>19.6</b>	Premises security



### **19.1 Security of Cash and Other Assets**

All income due to the school is collected through the trust office. Records are maintained of the source of the income; the date received and is cross-referenced to banking.

The school uses a security courier loomis to undertake the banking of income for the school on a bi-weekly basis. Between collections, the income received is retained within the school safe.

Both schools have a safe facility. There is currently one safe in the trust office in The Academy of St Francis of Assisi with both finance assistants having keys and a keyholder safe on the wall which holds one key. There are 2 safes on site in The Academy of St Nicolas one in the exams office again with a key safe which holds the key and only Estates and Finance have access to the number plus a further safe in the canteen office for which only the catering manager holds a key.

School property will be security marked by a member of staff wherever possible. Valuable/attractive items will be stored securely wherever practical. Staff are responsible for school property in their custody.

### **19.2 Pass & Key Holders**

The management of school passes & keys is undertaken by HR manager. An electronic signing in system is used in school. This interfaces to the school MIS system. An access control system is also in place which is managed by the HR officer. When staff leave the HR manager updates the access control system thus denying any future access.

A record is kept of all staff that hold a school key (external / internal, safe, other secure areas, etc.). Where keys are no longer required, they must be passed back to the HR manager and the appropriate record updated.

### **19.3 Key Cutting / Replacement**

Where additional keys are required, a formal request should be made to the Finance manager. Where permission is granted the Finance manager will arrange for the new keys and a formal record will be made within the key log. **Under no circumstances should staff cut their own keys or pass their keys on to other individuals.**

All members of staff are required to report the loss of a key immediately to the Finance manager where an assessment will be undertaken to determine:

- the circumstances of the loss and the likelihood of the key being used improperly
- the need for the lock or lock mechanism to be changed, based on the circumstances of the loss and the key's level of security

### **19.4 Computer Systems**

IT systems are used to process and record financial, student, personal and other management data efficiently and it is therefore important that such information is properly protected and backed up with access restricted only to authorised users.

- Data Protection

The school and Trustees have a current valid GDPR May 2018 registration that has to be renewed on an annual basis. The I.T Manager ensures that computers and systems comply with

the Act.

- IT System Back-up Procedures

The school pays for a backup solution which backs up all local server-based data overnight to a local fileserver. The onsite I.T team are responsible for monitoring and maintaining all back up procedures. The school also backup all office 365 cloud data to a cloud backup solution with a 10 year retention policy.

- Access Rights

Only the onsite I.T team have access to computer hardware and software used for school management. The onsite I.T team set access rights at the appropriate level for each member of staff. Passwords are not disclosed and meet a specified criteria to ensure that they are secure.

- Software

Only authorised software is used in school to prevent viruses being imported. Anti-virus software is installed on all computers.

### **Disaster Recovery Plan**

The school has a disaster recovery plan which includes action in the event of loss of accounting facilities or financial data.

### **19.5 Retention and Disposal of Accounting Records**

All accounting records are retained securely to safeguard documents against loss, destruction or unauthorised alteration. All personnel files are locked away within the Chief Finance and Operation officer's Office. All payroll information is locked away within the Chief Finance and Operation officer's Office. Bank statements, budget information and secured stationery (e.g. receipt books, pre numbered invoice forms, pre numbered order forms, etc.) are locked away within the trust office. Cheque books and paying-in books are retained within the safe.

The reasons for the retention of finance related documents are two-fold:-

a) To comply with the statutes of limitation.

b) To allow inspection by auditors either internal or external and HM Customs and Revenue, who may need to investigate records going back some years.

Records are retained for the appropriate number of years. Care is taken to dispose of documents containing sensitive data appropriately, usually by shredding.

### **19.6 Premises Security**

Site management is the responsibility of the Senior Caretakers. On a day to day basis this responsibility may be delegated to the Duty Caretaker.



## Contents

<b>20</b>		<b>Insurance</b>
	<b>20.1</b>	Insurance cover
	<b>20.2</b>	Policies held
	<b>20.3</b>	Changes to risk exposure and insurance cover requirements
	<b>20.4</b>	Claims

## **20.1 Insurance Cover**

All Saints Multi Academy Trust is aware that it has responsibility for ensuring suitable cover for a number of standard insurance policies (material damage, public liability, employers' liability, officials' indemnity, libel and slander, personal accident, fidelity guarantee, money and motor contingent liability). This is reviewed annually by Trustees to ensure that adequate cover is held.

In addition to the above, the school acknowledges that it has responsibility for a number of optional extensions (balance of risks building and contents, motor, third party hirers, school journeys, sickness supply cover and personal accident – pupils).

In deciding which insurance scheme to use, the Trustees consider the following information:

- the standard and rating of the company
- the overall cost
- excesses due in the event of a claim
- the support available, if required

## **20.2 Policies Held**

The school is a member of the Risk Protection Arrangement with the ESFA. In addition there are small policies held for:

- minibus insurance

All policies held are retained in the trust office.

No Trustees or members of staff of All Saints Multi Academy Trust will give any indemnity to a third party without the written consent of the insurer/ ESFA.

## **20.3 Changes to Risk Exposure and Insurance Cover Requirements**

The Chief Finance and Operation officer will notify the insurers/ESFA of all new risks, property and equipment which require insurance or alterations affecting existing cover as appropriate.

## **20.4 Claims**

The Chief Finance and Operation officer will immediately inform the insurers/ESFA of all accidents, losses and other incidents, which may give rise to a claim. Claims under the policies are authorised by the Chief Finance and Operation officer prior to its submission.