

Greenfield & Pulloxhill Academy

Financial Regulations

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TERMINOLOGY

Definitions.

'Academy Business Manager' means the person appointed to ensure sound and appropriate financial governance and to manage the day to day business support operations.

The **'Academy Head'** is the senior postholder responsible for the overall management of Greenfield & Pulloxhill Academy.

The **'Accounting Officer'** means the person responsible for ensuring regularity, propriety and value for money as defined in the Academies Financial Handbook.

'Accounts' refers to both Financial Statements, Management Accounts and any other financial return required to be made to Companies House, the EFA, DFE or any other funding body.

The **'Articles'** means the Articles of Association of Greenfield & Pulloxhill Academy which define the members of the Academy board and senior Academy staff and how they shall conduct its business.

'Budget' means an amount of money allocated for a purpose and includes annual revenue income, annual revenue expenditure, annual capital expenditure and any formal revisions to the budget. It also includes a cash flow forecast where relevant.

'Budget Holder' means a person responsible for the budgetary control of a defined area.

'Capital' means expenditure on items that will be used over more than one year to achieve the objectives of the Academy e.g. buildings, equipment and fixtures.

The **'Chair of the Trust'** means the elected Chair of the Board of Trustees.

The **'Clerk'** means the Clerk to the Academy.

'Code' means the current Audit Code of Practice issued by EFA, which sets out the mandatory audit requirements of the Academy.

'Commitment' means expenditure for which a purchase order has been issued or a contract has been signed.

'DFE' means the Department for Education.

'EFA' means the Education Funding Agency.

'Expenditure' means invoices from suppliers & third party creditors, cash payments, journals for internal recharges.

'External Auditors' means the professional firm who conducts the statutory audit of the annual report and Financial Statements and records.

'Finance Assistant' means the person appointed to support the Academy Business Manager in the financial administration of the Academy.

The **'Finance Committee'** means the committee of directors appointed by the Governing Body to which the board delegates financial scrutiny.

'Financial Statements' means the statutory annual financial statements.

The **'Finance Team'** means the Academy Head, Academy Business Manager and Finance Assistant collectively.

'Financial Year' means the year to 31 August.

'Funding Body' means the Education Funding Agency (EFA) or the Department for Education (DFE).

The **'Governing Body'** means the Governing Body of Greenfield & Pulloxhill Academy.

'Income' means grants receivable, invoices issued, cash received, journals for internal recharges.

'Management Accounts' means the monthly financial reports used for internal accounting and reporting purposes.

The **'Memorandum'** means the current Financial Memorandum between the EFA and the Academy for regulating their financial relationship.

'MIS' refers to the Management Information Systems.

'Non-Pay' means revenue expenditure for goods and services excluding staff costs.

The **'Regulations'** mean the Financial Regulations set out in this document.

'Requisition' means a request to raise a purchase order through the Academy procurement system.

'Revenue' means day to day items of income and expenditure which are not capital in nature.

'Staff' means any and all employees of the Academy.

The **'Standing Orders'** mean the rules defined by the Academy and used by it to conduct its business.

The **'Trust'** comprises Greenfield & Pulloxhill Academy.

The **'Trust Board'** means the Board of Trustees of Greenfield & Pulloxhill Academy.

A GENERAL PROVISIONS

1. BACKGROUND

- 1.1** Greenfield & Pulloxhill Academy (the Academy) is a company limited by guarantee, incorporated on 27th July 2011, with no shared capital (registration no. 007719857).
- 1.2** The principal activity of the Academy is to advance, for the public benefit, early years and primary education.
- 1.3** The funding agreement between the Funding Body and the Academy sets out the terms and conditions on which a grant is made. These conditions include the requirement to adhere to the Funding Body's Audit Code of Practice, which requires the Academy to have sound systems of financial and management control. These Financial Regulations form part of the overall system of accountability. The Academy is responsible for ensuring that conditions of the grant are met.

2. STATUS OF FINANCIAL REGULATIONS

- 2.1** This document sets out the Academy's financial regulations. It translates the Academy's broad policies relating to financial control into practical guidance.
- 2.2** These Financial Regulations are subordinate to the Academy's Articles and to any restrictions contained within the Memorandum and the Funding Body's audit code of practice.
- 2.3** The purpose of these Financial Regulations is to provide control over the totality of the Academy's resources and provide management with assurances that the resources are being properly applied for the achievement of the Academy's strategic plan and business objectives in terms of:
- financial viability;
 - achieving value for money;
 - fulfilling its responsibility for the provision of effective financial controls over the use of public funds;
 - ensuring that the Academy complies with all relevant legislation; and
 - safeguarding Academy assets.

- 2.4** Compliance with the Financial Regulations is compulsory for all persons connected with the Academy. It is the responsibility of the Accounting Officer to ensure that all staff, trustees, directors and budget-holders are made aware of the existence and content of the Academy's financial regulations.
- 2.5** The Finance Committee is responsible for maintaining a continuous review of the financial regulations in conjunction with the Academy Business Manager and for advising the Academy Governing Body of any additions or changes necessary.
- 2.6** In exceptional circumstances, the Chair of the Governing Body may authorise a departure from the detailed provisions herein, such departure to be reported to the Finance Committee at the earliest opportunity.

B CORPORATE GOVERNANCE

3. THE GOVERNING BODIES

3.1 The Board of Trustees is responsible for overseeing the management and administration of the Academy. Its financial responsibilities are to:

- ensure the solvency of the Academy and safeguard the Academy's assets;
- appoint, grade, suspend, dismiss and determine the pay and conditions of service of the Academy Head;
- approve a framework for pay and conditions of service of all other staff;
- have an oversight of the financial, planning and other management controls, including controls against fraud and theft, applied by the Academy are appropriate and sufficient to safeguard public funds;
- approve the Governing Body recommendation for the appointment of external auditors;
- secure the efficient, economical and effective management of all the Academy's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds in the Academy is not put at risk;
- ensure that appropriate financial considerations are taken into account at all stages in reaching decisions and in their execution. The Governing Body informs the Board of Trustees by considering the accounts and decisions made prior to them

being submitted to the Board of Trustees; and

- review the Academy's financial and academic affairs so that its total income is not less than sufficient, taking one year with another, to meet its total expenditure.

3.2 The Governing Body informs the Board of Trustees on matters related to the management, administration and operation of the Academy. Its specific financial responsibilities include;

- considering the income and expenditure decisions made prior to them being reported to the Board of Trustees if appropriate in accordance with procurement procedures;
- approving an annual budget before the start of each financial year;
- approving material departures from the annual budget which arise during the year and increase the overall costs to the Academy;
- approving the Academy strategic plan;
- approving the annual Financial Statements;
- recommending the appointment of auditors of the financial statements; and
- appointing the Chair of the Finance Committee unless delegated in writing to the Finance Committee.

4. ACCOUNTING OFFICER

4.1 The Academy Head is the designated Accounting Officer and is responsible for ensuring the financial administration of the Academy's affairs in accordance with the financial memorandum with the funding body. The Accounting Officer, the Chair of the Board of Trustees and the Chair of the Academy Governing Body may be required to justify any of the Academy's financial matters to the Public Accounts Committee at the House of Commons.

In particular, the EFA's Financial Handbook details the responsibilities of the Accounting Officer.

5. COMMITTEE STRUCTURE

5.1 The Board of Trustees has ultimate responsibility for the Academy's finances, but delegates specific powers and processes to the Academy Governing Body. The Governing Body is accountable to the Board of Trustees.

The Governing Body delegates oversight of matters relating to the financial administration and financial management of the Academy to the Finance Committee.

- 5.2** The **Finance Committee** is responsible for providing detailed advice to Governing Body to enable it to fulfil its responsibilities of ensuring sound management of the Academy's finances and resources.

The Finance Committee should have at least 3 members comprising the Accounting Officer ex officio and appropriately qualified and/or experienced directors, the quorum being any 2 members of the committee. Any person employed to work at the school other than the Academy Head is not qualified to join this committee.

The committee's terms of reference are listed at Annex A and are subject to annual review and approval.

Full terms of reference for each of the governing bodies and committees are available from the Clerk.

6 OTHER SENIOR MANAGERS WITH FINANCIAL RESPONSIBILITY

6.1 The Academy Business Manager

The post designated for financial administration is the Academy Business Manager, who reports to the Accounting Officer and the Finance Committee

- 6.1.2** Day-to-day financial administration is the responsibility of the Academy Business Manager who works in close liaison with the Finance Assistant. The Academy Business Manager is responsible, inter alia, for:

- preparing annual capital and revenue budgets and financial plans;
- preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations;
- preparing the Academy's annual accounts and other financial statements, the accounts which the Academy is required to submit to other authorities;
- ensuring that the Academy maintains satisfactory financial

- systems and records;
- providing professional advice on all matters relating to financial policies and procedures; and
- day-to-day liaison with external auditors.

6.2 Academy Head

The Academy Head is the Accounting Officer and therefore responsible for the financial management of the Academy and to that end, is assisted by the Academy Business Manager and Finance Assistant. The areas of responsibility between the three postholders should be determined by the Academy Head.

The Academy Head shall provide the Academy Business Manager with such information as may be required to enable:

- compilation of the Academy's financial statements
- implementation of financial planning
- implementation of audit and financial reviews, projects and value for money studies.

6.3 Other staff, trustees and directors

All members of staff, trustees and directors should be aware of and have a general responsibility for, the security of the Academy's property, for avoiding loss and for due economy in the use of resources.

They should ensure that they are aware of the Academy's financial authority limits and the values of purchases for which quotations and tenders are required. They shall make available any relevant records or information to the Academy Business Manager or their authorised representative in connection with the implementation of the Academy's financial policies, these financial regulations and the system of financial control.

They shall provide the Academy Business Manager with such financial and other information as they may deem necessary from time to time, to carry out the requirements of the Board of Trustees and the Finance Committee.

They shall immediately notify the Academy Business Manager whenever any matter arises which involves, or is thought to involve, irregularities concerning, *inter alia*, cash or property of the Academy. The Academy Business Manager shall take such steps as deemed necessary by way of investigation and report to the Finance Committee.

7. RISK MANAGEMENT

- 7.1** The Academy acknowledges the risks inherent in its business and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health. Detailed guidance on the level of risk considered to be acceptable/unacceptable by the Academy, is set out in a separate risk management strategy.
- 7.2** The Board of Trustees has overall responsibility for ensuring there is a risk management strategy and a common approach to the management of risk throughout the Academy, through the development, implementation and embedding within the Academy of a formal, structured risk management process.
- 7.3** In line with this policy, the Board of Trustees requires that the risk management strategy and supporting procedures include:
- the adoption of common terminology in relation to the definition of risk and risk management;
 - the establishment of Academy wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence, together with a sensitivity analysis;
 - a decision on the level of risk to be accepted, together with tolerance levels expressed in terms of measurable outcomes;
 - a decision on the level of risk to be covered by insurance;
 - detailed regular review to identify significant risks associated with the achievement of key objectives and other relevant areas;
 - development of risk management and contingency plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question;
 - regular reporting to the Board of Trustees of all risks above established tolerance levels;
 - an annual review of the implementation of risk management arrangements

The strategy and procedures must be capable of independent verification.

- 7.4** Staff must ensure that any agreements negotiated within their areas of responsibility with external bodies cover any legal liabilities to which the Academy may be exposed. The Academy Business

Manager's advice should be sought to ensure that this is the case.

8. WHISTLEBLOWING

- 8.1** Whistleblowing in the context of the Public Interest Disclosure Act, is the disclosure by an employee (or other party) about malpractice in the workplace. A whistleblower can blow the whistle about crime, civil offences (including negligence, breach of contract, etc), miscarriage of justice, danger to health and safety or the environment and the cover-up of any of these. It does not matter whether or not the information is confidential.
- 8.2** Normally, any concern about a workplace matter within the Academy should be raised with the relevant member of staff's immediate line manager or the Academy Head. However, the Academy recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult or impossible.
- 8.3** A member of staff may, therefore, make the disclosure to the member of staff designated for this purpose in the Academy's Whistleblowing Policy. If the member of staff does not wish to raise the matter with this person, or with the Chair of the Governing Body, it may be raised with the Chair of the Board of Trustees.

9. CODE OF CONDUCT

- 9.1** The Academy is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which members of staff at all levels are expected to observe. In addition, the Academy expects that staff at all levels will observe its code of conduct, in respect of financial procedures, which covers:
- probity and propriety
 - selflessness, objectivity and honesty
 - relationships.
- 9.2** Additionally, members of the Governing Body, Board of Trustees, senior management or those involved in procurement, are required to disclose interests in the Academy's register of interests maintained by the Clerk. They will also be responsible for ensuring that entries in the register relating to them, are kept up to date

regularly and promptly.

9.3 In particular, no person shall be a signatory to an Academy contract where he or she also has an interest in the activities of the other party.

9.4 Gifts and hospitality

It is an offence under the Prevention of Corruption Act 1906 for members of staff to accept corruptly any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity. The guiding principles to be followed by all members of staff must be:

- the conduct of individuals should not create suspicion of any conflict between their official duty and their private interest
- the action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues), that they have been, (or may have been,) influenced by a benefit to show favour or disfavour to any person or organisation.

Thus, members of staff should not accept any gifts, rewards or hospitality (or have them given to members of their families), from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality accepted should not be significantly greater than the Academy would be likely to provide in return.

When it is not easy to decide what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined or advice sought from the Academy Head or the Academy Business Manager. For the protection of those involved, the Academy Business Manager (or other designated person) will maintain a register of gifts and hospitality received where the value is in excess of £20. Members of staff in receipt of such gifts or hospitality are obliged to notify the Academy Business Manager (or other designated person) promptly.

There may be an occasion when the Academy wishes to make an award to an individual which falls outside the contractual remuneration/salary commitment (e.g. retirement/long service). Such an award will be at the discretion of the Headteacher who will,

before making the award, seek the approval of the Chair of the Finance Committee or Chair of Governors. Should the award be a monetary payment, it must be made via the payroll system and HMRC procedures followed.

C FINANCIAL MANAGEMENT AND CONTROL

10. FINANCIAL PLANNING

10.1 Budget objectives

The Finance Committee will, from time to time, advise the budget objectives for the Academy. These will help the Academy Business Manager in preparing more detailed financial plans for the Academy.

10.2 Budget preparation

The Academy Business Manager is responsible each year for preparing an annual revenue budget and capital programme for consideration by the Finance Committee prior to submission to Governing Body for their approval.

During the year, the Academy Business Manager is responsible for submitting revised year end forecasts to the Finance Committee for consideration prior to reporting to Governing Body. This should include input from budget-holders including the chairs of the various committees, especially with regard to identifying contingency requirements.

Where approval for material departures are sought, the Academy Business Manager is responsible for costing such departures and submitting to the Finance Committee and Governing Body for approval where appropriate.

10.3 Capital programmes

The capital programme includes all expenditure on land, buildings, equipment, furniture and associated costs, whether or not they are funded from capital grants, or capitalised for inclusion in the Academy's financial statements. Expenditure of this type can only be considered as part of the capital programme approved by the Finance Committee and Governing Body.

The Academy Business Manager will establish protocols for the inclusion of capital projects in the capital programme for approval. These will set out the information that is required for each proposed project, as well as the financial criteria that they are required to

meet.

The Academy Business Manager will also establish procedures for the approval of variations, including the notification of large variations to the funding body, as laid down in funding body guidelines.

The Academy Business Manager is responsible for providing regular statements concerning all capital expenditure to the Finance Committee for monitoring purposes.

Following completion of a major capital project, a post-project evaluation or final report should be submitted to the Finance Committee and Governing Body, including actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as other issues affecting completion of the project. Post-project evaluations may also need to be sent to the relevant funding body, as laid down in funding body guidelines.

10.4 Other major developments

Any new aspect of business, or proposed establishment of a joint venture, which will require an investment in buildings, resources or staff time of more than £50,000 should be presented for approval to the Board of Trustees (with prior review by the Finance Committee and Governing Body).

The Academy Business Manager will establish protocols for these developments to enable them to be considered for approval by the Governing Body and in turn the Board of Trustees. These will set out the information that is required for each proposed development, as well as the financial criteria that they are required to meet.

11. FINANCIAL CONTROL

11.1 Budgetary control

The control of income and expenditure within an agreed budget is the responsibility of the designated budget holder, who must ensure that day-to-day monitoring is undertaken effectively. Budget holders are responsible for the income and expenditure appropriate to their budget.

11.2 Financial information

The Academy Business Manager is responsible for supplying budgetary reports on all aspects of the Academy's finances to the Academy Head, Members of the Senior Leadership team and Finance Committee on a regular basis.

11.3 Changes to the approved budget

There will be occasions when expenditure is required that was not anticipated during the budget preparation and approval process; costings should be prepared by the budget holder or chair of the relevant committee and Academy Business Manager for consideration and approval by the Finance Committee.

In certain circumstances when the proposed expenditure is not material and falls within authorisation limits, the prior approval of the Academy Head is sufficient, as long as it is duly reported at the next Finance Committee meeting.

11.4 Management accounts

The key to the Finance Committee's scrutiny of the financial management and administration of the Academy lies in prompt consideration of the management accounts. These are to be prepared on a monthly basis by the Finance Team in accordance with the agreed monthly timetable laid out in Annex B, which will allow the Finance Committee to focus on both the results to date but also the variances to budget.

Once the Finance Committee has approved the management accounts, a summary of the highlights and accompanying commentary is to be circulated to Governing Body.

12. ACCOUNTING ARRANGEMENTS

12.1 Financial year

The Academy's financial year will run from 1 September until 31 August the following year.

12.2 Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

12.3 Format of the financial statements

The financial statements are prepared in accordance with the Statement of Recommended Practice for Charities, Companies Act 2006 and the EFA Academy Accounts Direction.

12.4 Capitalisation and depreciation

Land and buildings will be recorded in the balance sheet at actual build or acquisition cost, except where they are received as gifts, where they will be recorded at depreciated replacement value. Buildings will be depreciated in equal instalments over their estimated remaining useful life. Land will not be depreciated.

The initial transfer of buildings when the Academy commenced operations was recorded at professional market value.

Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, on the basis of depreciated replacement value, is greater than the current book value. There will be a de minimis limit of £1,000, under which individual expenditure will be treated as revenue expenditure.

12.5 Accounting records

The Academy Business Manager is responsible for the retention of financial documents. These should be kept in a form that is acceptable to the relevant authorities.

The Academy is required by law to retain prime documents for six years. These include:

- official purchase orders
- sales & purchase invoices
- bank statements
- copies of receipts
- paid cheques
- payroll records, including part-time and casual staff contracts
- any other supporting documentation to payments and receipts

The Finance Team will make appropriate arrangements for the retention of hard copy and/or electronic records, and ensure that staff are aware of the retention arrangements in order to comply with any additional or specific requirements of funding organisations.

Additionally, for auditing and other purposes, other financial documents should be retained for the longer of three years or as determined by the funder or the Finance Committee.

12.6 Public access

Under the terms of the Charities Act 1993, the Academy is required to supply any person with a copy of the Academy's most recent financial statements within two months of a request. The Act enables the Governing Body to levy a reasonable fee and this.

It should be noted, however, that the financial statements are available at no cost from the Registrar of Companies and the Academy's website.

12.7 Taxation

The Academy Business Manager is responsible for advising, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues to the Academy. Therefore the Academy Business Manager will issue instructions on compliance with statutory requirements including those concerning VAT, PAYE, national insurance, corporation tax and import duty.

The Academy Business Manager is responsible for maintaining the Academy's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

13. AUDIT REQUIREMENTS

13.1 General

External auditors shall have authority to:

- access Academy premises at reasonable times
- access all assets, records, documents and correspondence relating to any financial and other transactions of the Academy
- request and receive such explanations as are necessary concerning any matter under examination
- require any employee of the Academy to account for cash, stores or any other Academy property under their control
- access records belonging to third parties, such as contractors, when required.

The Academy Business Manager is responsible for agreeing a timetable with the external auditors and notifying staff and the Finance Committee accordingly.

13.2 External audit

The appointment of external auditors for the main financial statements of the Academy, will take place annually and is the responsibility of the Board of Trustees following recommendation from the Governing Body and Finance Committee.

The primary role of the external audit, is to report on the Academy's financial statements and to carry out such examination of the statements, the underlying records and control systems as are necessary to reach their opinion on the statements, and to report on the appropriate use of funds. Their duties will be in accordance with current statutory legislation and advice set out in the funding body's audit code of practice and the Auditing Practices Board's statements of auditing standards.

13.3 Fraud and corruption

It is the duty of all members of staff, management, the Governing Body and Board of Trustees to notify the Academy Head or Academy Business Manager immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety.

The Academy Head or Academy Business Manager shall immediately invoke the fraud response plan, which incorporates the following key elements:

- they will notify the Academy Head or Academy Business Manager and Chair of the Governing Body of the suspected irregularity and shall take such steps as they consider necessary by way of investigation and report
- the Academy Head shall inform the police if a criminal offence is suspected of having been committed
- any significant cases of fraud or irregularity shall be reported to the funding body in accordance with their requirements as set out in the audit code of practice
- the Academy shall commission such investigation as may be necessary of the suspected irregularity as appropriate
- those commissioned to carry out an investigation, shall prepare a report for the Governing Body on the suspected irregularity. Such report shall include advice on preventative measures.

If the suspected fraud is thought to involve the Academy Head and/or the Academy Business Manager, the Chair of the Governing Body should be contacted directly about the concerns regarding irregularities.

13.4 Value for money

It is a requirement of the Memorandum that the Governing Body is responsible for delivering value for money from public funds. It should keep under review its arrangements for managing all the

resources under its control, taking into account guidance on good practice issued from time to time by the funding body, the National Audit Office, the Public Accounts Committee or other relevant bodies.

13.5 Other auditors

The Academy may, from time to time, be subject to audit or investigation by external bodies such as the funding body, National Audit Office, European Court of Auditors, HM Revenue & Customs. They have the same rights of access as external auditors.

13.6 Independent examiner

A suitably qualified professional who is independent of the Academy and its officers will be appointed to conduct an independent review of the financial controls. Such examinations will take place at least twice a year, and ideally three times, along the lines of the programme of work attached at Annex C. The report of findings will be submitted to the Finance Committee along with recommendations for any improvements or changes to the financial controls.

Whilst the examination is conducted entirely separately from the statutory audit, the report of its findings will be available to the external auditors.

14. TREASURY MANAGEMENT

14.1 Treasury management policy

The Governing Body is responsible for approving a treasury management policy statement setting out a strategy and policies for cash management, long-term investments and borrowings. This will require compliance with funding body rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the financial memorandum.

The Governing Body has a responsibility to ensure implementation, monitoring and review of such policies.

Any proposal concerning borrowing, investment or financing (within policy parameters) shall be considered by the Finance Committee and approved by the Governing Body. All borrowing shall be undertaken in the name of the Academy and shall conform to any relevant funding body requirements.

The Academy Business Manager will report to the Governing Body termly on the activities of the treasury management operation and on the exercise of treasury management powers delegated to them.

14.2 Appointment of bankers

The Finance Committee is responsible for recommending to the Governing Body the appointment of the Academy's bankers.

The Academy will maintain sufficient bank accounts in order to minimize exposure to balances not covered by the Financial Services Compensation Scheme.

14.3 Banking arrangements

The Academy Business Manager is responsible, on behalf of the Academy, for liaising with the Academy's bankers in relation to the Academy's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Academy Business Manager, who shall make proper arrangements for their safe custody.

Only the Academy Business Manager may open or close a bank account for dealing with the Academy's funds. All bank accounts shall be in the name of the Academy.

All cheques drawn on behalf of the Academy must be signed in the pre-approved form and signed in line with the bank mandate. The Finance Committee will agree those staff with the designated signatory authority.

All automated transfers on behalf of the Academy, such as BACS or CHAPS, must be authorised in the appropriate manner. This will require signatures in line with the bank mandate. The transmission will be completed by those designated by the Governing Body. Details of authorised persons will be kept on record.

The Academy Business Manager is responsible for ensuring that all bank accounts are subject to regular reconciliation and that unexpected or unusual items are investigated as appropriate.

15. INCOME

15.1 General

The Finance Team is responsible for ensuring:

- that appropriate procedures are in operation to enable the Academy to receive all income to which it is entitled;
- the prompt collection, security and banking of all income

- received;
- that all grants notified by the funding body and other bodies, are received and appropriately recorded in the Academy's accounts; and
 - that all claims for funds, including grants and contracts, are made by the due date.

15.2 Maximisation of income

It is the responsibility of all staff to ensure that revenue to the Academy is maximised by the efficient application of an agreed debt collection procedure for the identification, collection and banking of income. In particular, this requires the prompt notification to the Finance Team of sums due, so that collection can be initiated.

15.3 Receipt of cash, cheques and other negotiable instruments

All monies received from whatever source must be recorded on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments.

All monies received must be banked promptly. The custody and transit of all monies received must comply with the requirements of the Academy's insurers.

All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into petty cash floats. Personal or other cheques must not be cashed out of money received on behalf of the Academy.

Receipts by credit/debit card and bank transfer: the Academy may only receive payments by debit or credit card using procedures approved by the Academy Business Manager.

Internet receipts: any member of staff wishing to arrange for payment to be made to the Academy via the internet should seek guidance from the Academy Business Manager at an early stage so that arrangements can be made to allow this facility in some instances.

15.4 Collection of debts

The Finance Team should ensure that:

- debtors invoices are raised promptly on official invoices, in respect of all income due to the Academy
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account

- any credits granted are valid, properly authorised and completely recorded
- monies received are posted to the correct debtors account
- swift and effective action is taken in collecting overdue debts
- outstanding debts are monitored and reports prepared for management.
- interest at a rate of 2% above the Bank of England base rate may be added to an outstanding debt.
- Should an outstanding debt not be paid within a time notified to the debtor, they will be notified the debt may be passed in 14 calendar days to an external organisation for collection and any fee/cost incurred by the Academy will be added to the debt.

Only the Academy Business Manager can agree changes to standard credit arrangements and indicate the periods in which different types of invoice must be paid.

Debt write off must be approved by the Accounting Officer and reported to the Finance Committee.

15.5 Collection of fees

The collection of fees must be by invoice. The Finance Team are responsible for ensuring that all fees due to the Academy are received.

16. GRANTS AND CONTRACTS

16.1 General

The Academy Business Manager is responsible for examining every formal application for a grant and shall ensure that there is adequate provision of resources to meet all commitments. The Academy Business Manager should ensure that the full cost of a contract is established. The agreement must clearly state all indirect costs and other expenses.

Grants and contracts shall be accepted on behalf of the Trust by the Academy Head or Chair of the Governing Body.

The Academy Business Manager shall maintain all financial records relating to grants and contracts and shall initiate all claims for reimbursement from sponsoring bodies by the due date.

Each grant or contract will have a named supervisor or grant holder.

Control of pay and non-pay expenditure will be contained within the budget centre. Any overspend or under-recovery of overheads is to be the clear responsibility of the budget holder with any loss being reported in full.

16.2 Grant and contract conditions

Many grant-awarding bodies and contracting organisations stipulate conditions under which their funding is given. In addition, there are often procedures to be followed regarding the submission of interim or final reports or the provision of other relevant information. Failure to respond to these conditions may mean that the Academy will suffer a significant financial penalty. It is the responsibility of the named budget holder to ensure that conditions of funding are met.

Any loss to the Academy resulting from a failure to meet conditions of funding is the responsibility of the budget holder, and must be reported to the Finance Committee in the first instance.

17. OTHER INCOME-GENERATING ACTIVITY

17.1 Private consultancies and other paid work

Unless otherwise stated in a member of staff's contract:

- outside consultancies or other paid work may not be accepted without the consent of the Academy Head
- applications for permission to undertake work as a purely private activity must be submitted to the Academy Head or in the case of the Head, the Chair of Governing Body and include the following information:
 - the name of the member(s) of staff concerned
 - the title of the project and a brief description of the work involved
 - the proposed start date and duration of the work
 - full details of any Academy resources required (for the calculation of the full economic cost)
 - an undertaking that the work will not interfere with the teaching and normal Academy duties of the member(s) of staff concerned.

17.2 Off-site collaborative provision

Any contract or arrangement whereby the Academy provides education or a service away from Academy premises, or with the assistance of persons other than the Academy's own staff, or with independent contractors (partner organisations), must be subject to the following procedure.

There shall be a contract signed by the Chair of Governing Body and on behalf of any partner organization, that shall comply at least with the funding body model contract (as amended from time to time), in place before any provision is made. Contracts for significant changes in activity must be approved in advance by the Board of Trustees.

Where the partnership would represent a significant departure from the Academy's strategic plan, the Board of Trustees shall approve the departure, and the Chair of the Board of Trustees shall seek the views of and inform the funding body.

17.3 Profitability and recovery of overheads

All other income-generating activities must be self-financing or surplus generating.

Income generating activities organised by members of staff, must be costed and agreed with the Academy Head before any commitments are made. Provision must be made for charging both direct and indirect costs, in particular for the recovery of overheads.

17.4 Deficits

Any unplanned deficits incurred on income-generating activities must be reported to the Finance Committee.

17.5 Additional payments to staff

Any proposal that involves additional payments to members of staff should be supported by a schedule of names, value of payment and must be approved by the Academy Head and in the case of the Academy Head, the Chair of Governing Body; in all cases, it should be notified to the Chair of the Finance Committee before actioned, in case there are employment tax issues.

18. INTELLECTUAL PROPERTY RIGHTS AND PATENTS

18.1 General

Certain activities undertaken within the Academy, may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

18.2 Patents

The Governing Body is responsible for establishing procedures to deal with any patents accruing to the Academy from inventions and discoveries made by staff in the course of their work.

18.3 Intellectual property rights

In the event of the Academy deciding to become involved in the commercial exploitation of inventions, published materials or research, the matter should be considered by the Governing Body in respect of intellectual property rights.

19 EXPENDITURE

19.1 General

The Finance Team are responsible for making payments to suppliers of goods and services to the Academy.

19.2 Procurement

The Academy requires all staff, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements and sustainability, and in accordance with sound business practice.

The Finance Team are responsible for:

- ensuring that the Academy's purchasing procedures are known and observed by all involved in purchasing for the Academy
- advising on matters of Academy purchasing policy and practice
- advising and assisting where required on specific purchases
- developing appropriate standing supply arrangements on behalf of the Academy to assist budget in meeting value for money obligations
- ensuring that the Academy complies with EU regulations on public purchasing policy.

To ensure value for money is achieved the following quotes and tenders are required:-

Tender Value	Number of Quotes
Less than £5,000	1
Greater than £5,000 but less than £20,000 or £800 to £1,600 per month	2 (in writing)
Greater than £20,000 but less than £100,000	3 (in writing)
Greater than £100,000	A public tender process inviting at least six to participate or public advertisement
OJEU limits(to Jan 2016): Supplies - £172,514	Requires EU tendering

Services – £172,514 Works – £4,322,012	unless using a procurement framework
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EU regulations

The Finance Team are responsible for ensuring the Academy complies with its legal obligations concerning EU procurement legislation. EU procurement regulations apply to written contracts for all forms of procurement, purchase or hire (whether or not hire purchase) with a total value exceeding a threshold value.

The Academy Business Manager will advise on the thresholds that are currently in operation. A breach of these EU regulations is actionable by a supplier or potential supplier.

It is the responsibility of the Accounting Officer to ensure that all staff comply with EU regulations by notifying the Academy Business Manager of any purchase that is likely to exceed the thresholds. This will need to be done well in advance in order to permit advertisements in journals such as the *Official Journal of the European Union* (OJEU).

The Academy Business Manager is required to submit to the Governing Body annually, details on expenditure which exceeds the threshold. Copies of the relevant documentation falling into this category must be provided to the Academy Business Manager.

Waivers

If the number of tenders is not able to be achieved then a waiver may be sought under the following circumstances:-

- i. the product or service is available only from one source
- ii. the order is for repairs or improvement to a product or system, given to the original supplier
- iii. the product is proprietary and sold only at fixed prices
- iv. the product is required so urgently that there is no time to seek more than one quotation
- v. other (specified) special circumstances make it undesirable to seek alternative quotations.

The waiver approval levels are as follows:

- Up to £5,000 Academy Head
- Up to £15,000 Chair of the Finance Committee
- Over £15,000 Chair of The Governing Body

Waivers up to £5,000 will be reported to the Finance Committee at

the earliest opportunity

Waivers over £5,000 will be reported to Governing Body annually.

Post-tender negotiations

Post-tender negotiations (ie after receipt of formal tenders but before signing of contracts) with a view to improving price, delivery or other tender terms can be entered into, provided:

- it would not put other tenderers at a disadvantage
- it would not affect their confidence and trust in the Academy's tendering process.

In each case, a statement of justification should be approved by the Chair of the Finance Committee prior to the event, showing;

- background to the procurement
- reasons for proposing post-tender negotiations
- demonstration of the improved value for money.

All post-tender negotiations should be reported to Governing Body.

19.3 Purchase orders

Official Academy purchase orders must be placed for the purchase of all goods or services, except for the following:

- purchases made using company procurement cards
- purchases made using petty cash
- sub contractor agreements, e.g. HR provision, catering, broadband, etc.
- legal and professional advice

In exceptional circumstances, urgent orders may be given verbally, but must be confirmed by an official purchase order endorsed 'confirmation order only' not later than the following working day.

It is the responsibility of the Finance Team to ensure that all purchase orders comply with both financial and procurement procedures.

19.4 Scheme of delegation/financial authorities

Purchasing authority may be delegated to a named individual by the Academy Head or Academy Business Manager. In exercising this delegated authority, staff are required to observe the financial and procurement procedures.

19.5 Procurement cards

Where appropriate, the Chair of Governing Body may approve the issuing of Academy procurement cards to staff.

The operation and control of the Academy's purchasing cards is the responsibility of the Academy Business Manager.

Holders of procurement cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Cards must not be loaned to another person, nor should they be used for personal or private purchases. Cardholders should obtain approval to purchase before use and should ensure that there is sufficient budget available to meet the costs. The Academy Business Manager shall determine what information is required on purchases made with procurement cards from cardholders and deadlines for receipt to enable financial control to be maintained. Cardholders must provide the information required.

19.6 Receipt of goods

All goods shall be received at designated receipt and distribution points. They shall be checked for quantity and/or weight and inspected for quality and specification. If possible a delivery note shall be obtained from the supplier at the time of delivery and signed by the person receiving the goods.

19.7 Payment of invoices

Payment of invoices shall be made after the appropriate confirmation of receipt of goods and services. In exceptional circumstances payment may be made prior to receipt with the approval of the Academy Head.

19.8 Staff reimbursement

The Academy's financial procedures enable the majority of non-pay supplies to be procured through the creditors system without staff having to incur any personal expense. However, on occasion, staff may incur expenses, most often in relation to travel, and are entitled to reimbursement in accordance with the staff expenses procedures (see Annex D).

Where such purchases by staff are planned, the Academy Head may approve cash advances to staff who are going to incur expenditure on the Academy's behalf. Upon completion of the travel or project to which the advance relates, within one month, a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second

advance be approved when the final accounting for an earlier advance to an individual is still outstanding.

19.9 Petty cash

The Finance Team, when appropriate, shall make available petty cash floats. However, it is important for security purposes that petty cash floats are kept to a minimum and kept in a secure area.

Authorised requisitions for reimbursements, must be sent to the Finance Team, together with appropriate receipts or vouchers, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.

The member of staff granted a float is personally responsible for its safe-keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of the Academy's insurers when not in use and will be subject to periodic checks by the Finance Team.

19.10 Late payment rules

The Late Payment of Debts (Interest) Act 1998 was introduced to give small businesses the right to charge interest on late payments from large organisations and public authorities. Key points are:

- small businesses can charge interest on overdue invoices
- interest is chargeable on sales made after 1 November 1998
- the rate of interest is currently 8% per annum above the official daily rate of the Bank of England
- the Act also applies to overseas organisations
- the Academy can be sued for non-payment.

In view of the penalties in this Act, Governing Body requires that invoices must be passed for payment as soon as they are received or no later than 28 days from date of receipt.

19.11 Project advances

The Academy Head or Academy Business Manager may jointly approve cash advances for activities/projects carried out away from the Academy (eg residential visits) where cash expenditure may be unavoidable.

Receipts or paid invoices will be retained for all sums expended in this way. Upon completion of the activity/project to which the advance relates, within one month, a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be

approved when the final accounting for an earlier advance is outstanding.

19.12 Giving hospitality

Staff entertaining guests from outside bodies at lunch time should normally use the Academy's catering facilities. Where this is not the case, reasons must be stated when submitting a claim for reimbursement.

20 PAY EXPENDITURE

20.1 Remuneration policy

All Academy staff will either be appointed to the salary scales approved by Governing Body or appointed at a spot salary which is determined by the Academy Head. Appointments are made in accordance with appropriate conditions of service. All letters of appointment must be issued by the Academy or their Human Resources representative.

Salaries and other benefits for senior postholders will be determined by the Chair of the Board of Trustees.

20.2 Appointment of staff

All contracts of employment shall be concluded in accordance with the Academy's approved personnel practices and procedures. All offers of employment with the Academy shall be made in writing. The appointment panel shall ensure that the Academy Business Manager is provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

20.3 Salaries and wages

The Academy Head is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All timesheets and other pay documents, including those relating to fees payable to external casual/visiting staff, will be in a form prescribed or approved by the Academy Business Manager.

The Academy Head will be responsible for keeping the Academy Business Manager informed of all matters relating to personnel for payroll purposes. In particular these include:

- appointments, resignations, dismissals, supervisions, secondments and transfers
- absences from duty for sickness or other reason, apart from approved leave

- changes in remuneration other than normal increments and pay awards information necessary to maintain records of service for superannuation, income tax and national insurance.

The Academy Business Manager is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.

The Academy's payroll provider shall be responsible for keeping all records relating to payroll including those of a statutory nature during the period of their engagement.

All payments must be made in accordance with the Academy's payroll procedures and comply with Inland Revenue regulations.

20.4 Pension schemes

The Governing Body is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

The payroll provider together with the Human Resources provider is responsible for day-to-day superannuation matters, including:

- paying contributions to various authorised superannuation schemes
- preparing the annual return to various superannuation schemes
- administering the Academy's pension fund.
- administering eligibility to pension arrangements

20.5 Travel, subsistence and other allowances

All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed in a form approved by the Academy Business Manager.

Claims by members of staff must be authorised by the Academy Head and then forwarded to the Academy Business Manager. The approval shall be taken to mean that:

- the journeys were authorised;
- the expenses were properly and necessarily incurred;
- the allowances are properly payable by the Academy;
- consideration has been given to value for money in choosing the mode of transport.

Arrangements for travel by members of the Governing Body or Board of Trustees shall be approved by the Chair of the Governing Body. Arrangements for travel by the Chair of the Governing Body shall be approved by the Accounting Officer.

20.6 Overseas travel

All arrangements for overseas travel must be approved by the Chair of the Governing Body in advance of committing the Academy to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by members of the Governing Body and Board of Trustees shall be approved by the Chair of the Governing Body. Arrangements for travel by the Chair of the Governing Body shall be approved by the Accounting Officer.

Where spouses, partners or other persons unconnected with the Academy intend to participate in a trip, this must be clearly identified in the approval request. The Academy must receive reimbursement for the expected costs it may be asked to cover for those persons in advance of confirming travel bookings.

20.7 Allowances for members of the Governing Body

Claims for members of the Governing Body or Board of Trustees will be authorised by the Academy Head. Only reasonable expenses can be reimbursed.

20.8 Severance and other non-recurring payments

Severance payments shall only be made in accordance with relevant legislation and under a scheme approved by the Governing Body. Professional advice should be obtained where necessary. Amounts paid should be declared in the financial statements.

All matters referred to an industrial tribunal shall be notified to the Governing Body at the earliest opportunity in order that budget provision may be made as necessary. All determinations of tribunals must be similarly notified.

21. ASSETS

21.1 Land, buildings, fixed plant and machinery

The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Governing Body and with reference to funding body requirements where exchequer funded assets or exchequer funds are involved.

21.2 Fixed asset register

The Finance Team are responsible for maintaining the Academy's

register of land, buildings, fixed plant and equipment. Staff will provide those responsible with any information that may need to maintain the register.

21.3 Verification of Assets

Once a year a random asset check is to be undertaken by the Finance Team . Any major assets that are unable to be located will be reported to the Governing Body with their net book value.

When transferring equipment/resources between sites, a transfer record must be kept.

21.4 Stocks and stores

Staff are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their areas.

Staff are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate COSHH security checks.

21.5 Safeguarding assets

Staff are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc under their control. They will consult the Finance Team in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

Assets owned by the Academy shall, so far as is practical, be effectively marked to identify them as Academy property.

21.6 Personal use

Assets owned or leased by the Academy shall not be subject to personal use without proper authorisation.

21.7 Asset disposal

Any disposal of furniture or equipment requires the completion of an asset disposal form, at which point a net book valuation will be completed and compared to the disposal value. Any disposals that result in less than 80% of the net book value will be reported to the Academy Head for approval.

Disposal of land and buildings must only take place with the authorisation of the Board of Trustees. Funding body consent may also be required if exchequer funds were involved in the acquisition of the asset.

21.8 All other assets

Staff are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the Academy, whether tangible (such as stock) or intangible (such as intellectual property).

22. FUNDS HELD ON TRUST

22.1 Gifts, benefactions and donations

The Academy Business Manager is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the Academy and initiating claims for recovery of tax where appropriate.

22.2 Student welfare and access funds

The Academy Business Manager will prescribe the format for recording the use of student welfare funds.

Records of access funds will be maintained according to funding body requirements.

22.3 Trust funds

The Academy Business Manager is responsible for maintaining a record of the requirements for each trust fund and for advising the Governing Body on the control and investment of fund balances.

The Governing Body is responsible for ensuring that all the Academy's funds are operated within any relevant legislation and the specific requirements for each trust. They will also be responsible for investment of fund balances.

22.4 Voluntary funds

The Academy Business Manager shall be informed of any fund that is not an official fund of the Academy which is controlled wholly or in part by a member of staff in relation to their function in the Academy.

The accounts of any such fund shall be audited by an independent external person and shall be submitted with a certificate of audit to the appropriate body. The Academy Business Manager shall be entitled to verify that this has been done.

23 OTHER

23.1 Insurance

The Academy Business Manager is responsible for the Academy's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and provide sufficient cover to meet any potential risk to all assets. This portfolio of insurances will be considered and approved by the Governing Body on an annual basis.

Staff must ensure that any agreements negotiated by them with external bodies cover any legal liabilities to which the Academy may be exposed. The Academy Business Manager's advice should be sought to ensure that this is the case. Staff must give prompt notification to the Finance Team, of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks. Staff must also advise immediately of any event that may give rise to an insurance claim. The Academy Business Manager will notify the Academy's insurers and, if appropriate, prepare a claim for transmission to the insurers.

The Site Agent is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

All staff using their own vehicles on behalf of the Academy shall maintain appropriate insurance cover for business use.

23.2 Security

Keys to safes or other similar containers are entrusted to relevant personnel who should ensure their security at all times. The loss of such keys must be reported to the Academy Business Manager immediately.

A designated person shall be responsible for maintaining proper security and privacy of information held on the Academy's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act 1998. A designated person shall be nominated to ensure compliance with the Act and the safety of documents.

The Academy Business Manager is responsible for the safekeeping of official and legal documents relating to the Academy. Signed copies of deeds, leases, agreements and contracts must, therefore,

be forwarded to them. All such documents shall be held in an appropriately secure, fireproof location and copies held at a separate location.

23.4 Provision of indemnities

Any member of staff asked to give an indemnity, for whatever purpose, should consult the Academy Business Manager before any such indemnity is given.

Terms of Reference of the Finance Committee

ANNEX A

- To consider the academy's indicative funding, notified annually by the DfE, draft the initial budget plan and assess its implications for the academy, in consultation with the Academy Head, in advance of the financial year, drawing any matters of significance or concern to the attention of Governing Body.
- To submit the academy's budget to Governing Body for approval.
- To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Academy Head, with the stated and agreed aims and objectives of the academy.
- To receive and make recommendations on the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To liaise with and receive reports from the committees, including the Academy Head Performance Management Panel, to consider the financial impacts of matters being proposed by them and to respond with recommendations before such matters are implemented.
- To advise the Board committees on the financial strength of the Academy and any areas to be addressed.
- To establish and maintain a two year financial plan.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE/EFA/Charities Commission/Academy, drawing any matters of concern to the attention of Governing Body.
- To consider a budget position statement termly.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- To ensure that the statutory accounts are prepared in accordance with statutory legislation and arrange for their audit and subsequent filing.
- To ensure that a copy of the annual accounts are made available to the Trustees at least two weeks before the Annual Meeting of the Board of Trustees.

- To monitor any financial reports that are submitted to the EFA/DfE, and, where practicable, review prior to submission.
- To receive auditors' reports and to recommend to the full governing body action as appropriate in response to audit findings.
- To recommend to the full governing body the appointment or reappointment of the auditors of the academy.
- To make a record of the proceedings at meetings which will be kept by the Clerk to the Governing Body.
- To review these terms of reference annually.

Month End Financial Timetable

ANNEX B

Pre-Month End Process			
#	Action	Timing	Responsibility
1	Weekly Invoice submission All invoices received in the week to be forwarded to Pulloxhill by end of day Monday in the week following receipt.	End of day Monday	Greenfield: Pulloxhill:
2	Invoice approval All invoices received to be approved by Academy Head/Deputy by end of day Tuesday in the week following receipt.	End of day Tuesday	
3	Debit Card Transactions XX informed by email immediately after any payments are made. DR card transactions authorised by Academy Head/Deputy in the normal way.	Immediately after transactions completed	Authorised Debit Card users
4	Non Standard Income Review any income due for that month in the first week of the month.	1 st week of month	
5	VAT Return VAT Return completed and submitted in the week after month end	1 st week after month end	
6	Bank statements & other financial correspondence All Bank statements to be submitted to XX on the day following receipt	1 st day following receipt	Greenfield: Pulloxhill:
7	Submission of school meals figures Number of school meals served in the month to be forwarded to XX on first working day after month end	1 st working day following month end	Greenfield: Pulloxhill:
8	Banking All banking details to be forwarded to XX immediately on banking. All month end banking to be done three	Details banking to submitted to JC immediately Banking completed 3	

	days after month end.	days after month end	
9	<p>Timesheets Staff timesheets to be submitted by 2nd working day following month end otherwise payments will miss payroll run</p> <p>Half term deadlines will match expenses deadlines</p> <p>Forms and deadline dates will be available in the staff rooms</p>	<p>2nd working day following month end</p> <p>Submission to payroll via timesheet import by 8th of month</p>	All Staff
Month End Process			
#	Action	Timing	Responsibility
1	Complete Bank Reconciliations	Month End + 9 Days	Preparation Review
2	Input payroll information		
3	Post all invoices to purchase ledger		
4	Complete other ad hoc reconciliations, as required		
5	Prepare accounting journals for prepayments and accruals		
6	Review initial Trial Balance		
7	Review all postings to ensure accuracy of data input		
8	Once postings complete, print & review standard reports: <ul style="list-style-type: none"> - Nominal Departmental Analysis report - Profit & Loss by Department - Abridged Accounts report 		
9	Review month end accounts pack & discuss any queries or issues	Month End + 10 days	
10	Distribute Month End Packs, including any additional commentary and raising any queries as necessary	Month End + 12 days	

2nd Week October Audit

End November	Meeting with Streets re Accounts
December	GB Meeting to agree Accounts
31 December	Submit Accounts to EFA/Companies House
2 nd Week January	AGM
31 January	Academies Accounts Return (AAR)/Accounts on Website
February	First indicative budget figures from EFA
March	TPS return
June	Streets interim audit – staffing
31 July	Budget Forecast Return

ANNEX C

Work Programme or Independent Review of Financial Controls

Purchasing

- Check purchase authorisation for a minimum of 10 purchases per school
- Check quotation procedures followed where appropriate
- Check budget centre coding
- Check receipt of goods recorded
- Check invoices against orders
- Check invoices correctly authorised
- Check compliance with Finance regs
- Check correct procedures followed for expenses payments
- Check salary adjustments correctly authorised

Income

- Check EFA remittances against bank statements
- Check bank reconciliations
- Check other income recorded correctly
- Check for timely invoicing
- Check for timely VAT returns

Management Reports

- Check financial reports are submitted to Management and Board meetings
- Check any financial risks have been identified and are being mitigated

Governance

- Check Financial Regulations are reviewed and any amendments correctly authorised
- Check any Audit issues have been followed up

Reporting

- Provide verbal and written feedback on the above

ANNEX D

Staff Expenses – Procedures for Submitting a Claim

- Purchases should be made through the school purchasing system whenever possible to avoid staff purchasing supplies themselves. The school cannot reclaim the VAT when staff purchase supplies.
- Reimbursement will only be made for supplies for school use.
- Staff purchases should be agreed with the Headteacher in advance whenever possible.
- Expenses must be claimed no more than one month following the month of purchase.
- Expenses must be submitted on the staff expense claim form.
- Receipts clearly marked with school purchases must be attached to the relevant staff expense claim form.
- Claim forms must be authorised by the head or deputy head teacher.
- Reimbursements will be paid directly into the employee's bank account.
- The headteacher reserves the right to refuse to reimburse expenditure which had not had prior authorisation or any expense claims which have not been submitted in accordance with these procedures.