'They will soar on wings like eagles …'
Isaiah 40:31

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AQUILA Diocese of Canterbury Academies Trust

Multi Academy Trust Policy

Common Trust Policy, Use as Published

The Finance and Controls Policy

Date adopted by Trust Board: 02/2024

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Version	Date	Author	Change Description
1.1	Jan 2024	Marian Scally	Added process: when using Trust approved contractors for work value up to 20K Pg16
1.2	Jan 2025	Marian Scally	6.3 Pg10 – Removed HT requirement to approve bank reconciliation. Included staff who have authority to post year end journal transactions/adjustments 8.3 Pg13 – Removed HT requirement to approve payroll reconciliations 9.1 Pg14 – Increased limit for requiring 3 quotations £5k and above. Amended limited of purchasing power 9.2 Pg15 – Removed HT authorising their own credit card statement 17.2 Pg23 – Increased limited for individual fixed asset purchases to £5k and above 21.3 Pg31 – Re-written investment policy and appendix
1.3	Feb 2026	Marian Scally	5.2 Pg9 – increased external auditors term from 3 years to 5 years 16 Pg22 – wording altered to reflect single central bank account

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Part One Introduction - THE DIOCESE OF CANTERBURY ACADEMIES TRUST

The purpose of this document is to ensure that the Academy Trust maintains and develops systems of financial control which conform 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 agreements with the Department for Education (DfE).

Each Academy within the Diocese of Canterbury Academies Trust must comply with the principles of financial control outlined in the academy's guidance published by the DFE in the Academy Funding Agreement and the Academy Trust Handbook. This manual expands on those and provides detailed information on the accounting procedures and these financial regulations must be read by all staff involved with financial systems and copies made available as necessary. It also provides a standardised approach to all finance related tasks within the Trust and its academies.

Compliance with the Policy is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the Accounting Officer. For the Diocese of Canterbury Academies Trust (DCAT) this office resides in the Chief Executive Officer.

All staff, including the Accounting Officer, the Chief Financial Officer, Head Teachers, Finance Officers and Finance Assistants, who deal with financial matters, are trained in the appropriate procedures and records are kept of this training. All the duties of the Accounting Officer, the Chief Financial Officer, Head Teachers, Finance Officers and the Finance Assistants, are recorded and a note kept of who can carry out the various duties in the absence of the Accounting Officer, the Chief Financial Officer, Head Teachers, Finance Officers and the Finance Assistants.

All staff are aware of the Academy Trust's whistleblowing policy and to whom they should report any concerns regarding malpractice and wrongdoing. Any suspected financial irregularity will be reported to the DfE.

The Academy Trust's Audit & Risk Committee will be responsible for reviewing all controls and procedures of financial systems operating within the Trust. A self- assessment of the financial administration and management within each academy is carried out at all levels by the Accounting Officer, the Chief Financial Officer, Head Teachers, the relevant finance/resources committee and the individual Governing Bodies.

1. ORGANISATION

The Diocese of Canterbury Academies Trust ('the Trust') is a Multi Academy Trust. The Trust is a company limited by guarantee with charitable status and all academies within the Trust are governed by one Trust (the members) and a board of Trustees.

The Members of the Company shall comprise:

(a) the signatories to the Memorandum, who shall be:
  (i) the Bishop of the Diocese; and
  (ii) two individual members of the Diocese of Canterbury Academies Company Limited (Company number: 07793458) nominated by it for the purpose with one such individual being the Chair of the Diocesan Board of Education (unless the Bishop of the Diocese is himself the Chair) and the other being the representative on the Diocesan Board of Education of Canterbury Christ Church University (registered company number 04793659);
(b) the chairman of the Trustees; and
(c) any person appointed under Article 16.

The Trustees must establish separate committees to be known as Local Governing Bodies for each Academy and will ensure that, where possible, each Local Governing Body shall include at least two elected representatives of the parents of pupils attending the relevant Academy.

2. ROLES AND RESPONSIBILITIES

The main responsibilities of the Trust are prescribed in the Funding Agreements with the DFE. The key responsibilities include:

- ensuring that grants from the DFE are used only for the purposes intended
- approval of the annual budget
- balancing its budget from year to year
- production of an Annual Report and Accounts
- appointment of auditors
- appointment of a Chief Executive Officer (as Accounting Officer)
- appointment of the Chief Financial Officer in conjunction with the Chief Executive Officer
- ensure regularity, propriety and value-for-money in relation to the management of public funds

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Company will be managed by the Trustees who may exercise all the powers of the Company.

The Academy Trust has defined the responsibilities of key committees and staff involved in the administration of Academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The Committees that have responsibilities relating to the Academy finances are as follows:

- Trust Board
- Audit & Risk Committee
- Finance and Resources Committee

The main responsibilities of these Committees are set out in written terms of reference. The following sections summarise the responsibilities of those individuals with key roles in the administration and accountability of the Trust finances.

2.1 ROLE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer has overall responsibility for the Trust's activities including financial activities. As the Accounting Officer for the Trust, the Chief Executive Officer is personally responsible for:

- Propriety and regularity of the public finances for which they are answerable. This covers standards of conduct, behaviour and corporate governance
- keeping of proper accounts
- prudent and economical administration
- avoidance of waste and extravagance
- ensuring value for money
- efficient and effective use of all available resources
- management of opportunities and risks

The essence of the role is a personal responsibility for:

Regularity - dealing with all items of income and expenditure in accordance with legislation, the terms of the Trust's Funding Agreement and this Handbook, and compliance with internal Trust procedures. This includes spending public money for the purposes intended by Parliament;

Propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behaviour and corporate governance;

Value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the Academy Trust but for taxpayers more generally.
The Trust's accounting officer is required to complete and sign a short statement each year explaining how the Trust has secured value for money. This must be sent to the DFE and be published on the Trust's website. It will also be placed on the DfE's website.

In practice, much of the financial responsibility is delegated to the Chief Financial Officer but the Chief Executive Officer still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trustees have agreed should be approved by them
- authorising orders and contracts / releasing payments in conjunction with other authorised signatories in accordance with the agreed Scheme of Delegated Financial Authority
- preparing budget plans in conjunction with the Chief Financial Officer
- implementing expenditure in line with the Trust budget
- seeking Trust approval for purchase orders or contracts in excess of delegated thresholds
- submitting reports to the Trust giving details of income, expenditure and commitments to date
- ensuring any actions resulting from the annual audit are implemented

2.2 ROLE OF THE CHIEF FINANCIAL OFFICER

The Chief Financial Officer, works in close collaboration with the Chief Executive Officer, through whom they are responsible to the Trustees. The Chief Financial Officer also has direct access to the Trustees and governors. The main responsibilities of the Chief Financial Officer are:

- day to day management of financial issues including the establishment and operation of a suitable accounting system for the Trust's central budget and individual academies
- management of the Academy financial position at a strategic and operational level within the framework for financial control determined by the members and Trustees
- preparation of budget plans in conjunction with the Chief Executive Officer and Head Teachers
- the maintenance of effective systems of internal control
- maintenance of adequate fixed asset registers
- liaising with auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust
- the preparation of monthly management accounts, including income and expenditure reports, cash flow forecasts and a balance sheet
- ensuring forms and returns are sent to the DFE in line with the timetable in the DFE guidance
- additional roles, some of which are not directly finance related, as outlined in the Chief Financial Officer job description

2.3 THE ROLE 0F FINANCE OFFICERS AND BUDGET HOLDERS

Other members of staff, primarily the Finance Officers, Finance Assistants and departmental budget holders, will have some financial responsibilities and these are detailed in following sections of this manual.

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

3. DELEGATED AUTHORITY TO THE TRUST

The delegated authority over different categories of financial transactions is set out below from the DFE:

Liabilities and write-offs

Academy Trusts may write off specific debts and losses, including any uncollected fines up to the maximum value of £1,000. The Chief Financial Officer must approve any write off above this value.

Severance Payments

If the Trust is considering making a staff severance payment above the contractual entitlement, it must consider the following issues:

- whether such a payment is justified, based on a legal assessment of the chances of the Trust successfully defending the case at tribunal. If the legal assessment suggests a better than even chance of winning, there is no rationale for settling the case. But where the case will be lost, there is a justifiable rationale for the settlement
- if the settlement is justified, the Trust would then need to consider the level of settlement. This must be less than the legal assessment of what the relevant body (e.g. an Employment Tribunal) is likely to award in the circumstances

Special severance payments should not be made where they could be seen as a reward for failure, such as dismissal for gross misconduct or poor performance. The only acceptable rationale in the former case would be where the claimant will win an Employment Tribunal claim because of employment law procedural errors. In the latter, an acceptable comparison would be the time and cost of taking someone through performance management and improvement procedures.

If the Trust is considering making a compensation payment it must consider whether the proposed payment is based on a careful appraisal of the facts, including legal advice and that value for money will be achieved. It is also good practice to consider routinely whether particular cases reveal concerns about the soundness of the control systems; and whether they have been respected as expected. It is also important to take any necessary steps to put failings right.

Where the Trust is considering making a special staff severance payment or compensation payment above the contractual entitlement of £50,000 or more, prior approval will need to be sought from HM Treasury, via the DFE, before any such payment can be made. The Trust in this situation should speak to their DFE contact at the earliest opportunity to discuss.

For the avoidance of doubt, the following examples illustrate where HMT approval would be required:

- statutory/contractual payment of £30k + enhancement of £30k = HMT approval not required
- statutory/contractual payment of £60k + enhancement of £30k = HMT approval not required
- statutory/contractual payment of £30k + enhancement of £50k = HMT approval required for the £50k enhancement only

Ex-Gratia Payments

Ex gratia transactions must always be referred to DFE for **prior approval**. HM Treasury approval may also be needed. If schools are in doubt about a proposed transaction, they should seek advice from the Chief Financial Officer.

Asset sales, leases and tenancy agreements

There are two types of leases, as defined under relevant financial reporting standards. There are finance leases (which are a form of borrowing) and there are operating leases (which do not involve borrowing). Trusts that are in any doubt as to whether or not any particular lease does or does not involve an element of borrowing should resolve the issue by contacting the Chief Financial Officer.

Academy Trusts must seek and obtain prior written approval from the Secretary of State, via the DFE, for the following leasing transactions:

- taking up a finance lease on any class of asset for any duration from another party, as this would represent borrowing
- taking up a leasehold or tenancy agreement on land or buildings from another party for a lease term of more than five years
- granting a leasehold or tenancy agreement on land or buildings to another party for a lease term of more than five years

Academy Trusts may take out and grant other types of leases (i.e., other than finance leases, leaseholds and tenancy agreements as described above), without the Secretary of State's approval. For the avoidance of doubt this means that operating leases on assets that are not land and buildings do not require the Secretary of State's approval. Leases should be disclosed in Trusts' annual accounts in accordance with the Academies Accounts Direction.

If an Academy Trust does wish to enter into a lease that requires the Secretary of State's consent, then the Trust will need to contact the DFE in the first instance. Trusts must ensure that any lease arrangement maintains the principles of regularity, propriety and value for money, whether or not the approval of the Secretary of State is required.

4. REGISTER OF 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 members, Trustees, governors and staff who can influence financial decisions, or spending powers, are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services.

The register is open to public inspections and should include all business interests such as Trusteeships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a member, Trustee, governor or a member of staff by that person.

The existence of a register of business interests does not, of course, detract from the duties of members, Trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Governing Body or a committee. Where an interest has been declared, members, Trustees, governors and staff should withdraw from that part of any committee or other meeting.

5. PROCESS FOR INDEPENDENT CHECKING

Every Academy Trust must have in place a process for independent checking of financial controls, systems, transactions and risks.

An Audit Committee for the Trust undertakes the process for independent checking of financial controls, systems, transactions and risks.

The committee will review the risks to internal financial control at the Trust and agree an annual programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditors.

This programme will be managed through one or more of the following options:

- the work of an internal audit service (either in-house, bought-in or provided by a sponsor)
- the performance of a supplementary programme of work by the Trusts external auditors

- completing the work by peer review

Peer review work is performed by the Chief Financial Officer, or a suitably qualified or experienced member of the finance team, from another Academy Trust, appointed by the Audit Committee. The peer review will provide governors with an independent oversight of the Trust financial affairs. The main duties of the peer review are to provide the Governing Body with independent assurance that:

- financial responsibilities of the Governing Body are being properly discharged
- resources are being managed in an efficient, economical and effective manner
- sound systems of internal financial control are being maintained
- financial considerations are fully taken into account in reaching decisions

Peer reviews will be undertaken by an agreed programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the members. A report of the findings from each visit will be presented to the Audit Committee and the individual academies within the Trust.

5.1 INVESTIGATION OF FRAUD AND IRREGULARITY

The personal responsibilities of accounting officer responsibilities extend to the prevention of loss through fraud and irregularity. However, in addition to the accounting officer's responsibilities, the members of a Trust are also responsible for preventing such losses of public funds, and this means that members, Trustees and governors must be aware of the risk of fraud and irregularity to occur within their organisations and they must, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls. The Trust is also responsible for ensuring appropriate action is taken where fraud and irregularity is suspected or identified. Refer to Fraud Policy and Procedure.

All instances of fraud or theft committed against the Trust, whether by employees or governors or third parties, above £5,000 must be reported by the Trust to the DFE. Any unusual or systematic fraud, regardless of value, must also be reported.

The DFE reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any Academy either as the result of a formal notification from the Trust itself or as the result of other information received.

5.2 APPOINTMENT OF EXTERNAL AUDITORS

The Trust is required to submit the accounts for an annual audit. This means that external auditors need to be appointed. The appointment will be for a five year period renewable at the discretion of the Trust.

The auditors are required to give an opinion on whether:

- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the DFE
- proper accounting records have been kept by the Academy throughout the financial year
- grants made by the DFE have been applied for the purposes intended

The Trust should arrange for on-going monitoring of the performance of the auditors to be undertaken by the Audit Committee.

6. ACCOUNTING SYSTEM

The Trust is registered annually under the 1988 Data Protection Act. The registration will require a single data Controller to be named and the named Data Controller in the Trust will be the Head of Compliance & Administration. All academies within the Trust are part of the annual registration.

All the financial transactions of the Trust must be recorded on the Access Finance accounting system operated by the Finance Officers centrally or staff in each Academy. **Each academy must ensure that at all times appropriate segregation of duties is in place within the finance function.**

Financial records are required to be kept for at least seven years. This is a requirement laid down by Her Majesty's Revenue and Customs (HMRC).

6.1 SYSTEM ACCESS

The Access Finance accounting system is protected by access permissions to authorised staff. Access permissions should be strictly controlled and individual log-ins and passwords should not be compromised. Access to the accounting system should be restricted and the Chief Financial Officer is responsible for determining the access levels for all members of staff using the system.

All leavers with previous access to Access Finance must have their access permissions formally removed.

6.2 BACK-UP PROCEDURES

The Chief Financial Officer is responsible for ensuring that there are effective back up procedures for the system.

The Chief Financial Officer should also prepare a disaster recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by governors of the major risks to which the Academy is exposed and the systems that have been put in place to mitigate those risks.

6.3 TRANSACTION PROCESSING

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this document. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in following sections of the document. All journal entries must be documented in Access Finance. Bank reconciliations should be completed by the Finance Officer and the reconciliation is evidenced in the month end process and Trial Balance.

Finance Officers have responsibility for journal corrections relevant to their individual schools in Access Finance, however, year end journal adjustments must only be performed by the CFO and Finance Integration Manager.

Detailed information on the operation of the accounting system can be found in the user manuals provided by Access Finance.

6.4 TRANSACTIONS REPORTS

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

- monthly payroll reports
- monthly bank statement reconciliations
- monthly charge card statements
- monthly VAT returns
- management accounts summarising expenditure and income against budget at budget holder level
- monthly review of journal transaction posting

6.5 RECONCILIATIONS

Finance Officers are responsible for ensuring the following reconciliations are performed each month, and that

any reconciling or balancing amounts are cleared:

- payroll
- bank balance per the nominal ledger to the bank statement
- charge cards (where applicable)
- trial balance

Any unusual or long outstanding reconciling items must be brought to the attention of the CFO. The CFO will ensure all reconciliations are performed by Finance Officers.

7. FINANCIAL PLANNING

The Trust prepares both medium term and long-term financial plans.

The long-term financial plan is prepared as part of the strategic planning process. The Strategic Development Plan indicates how the Trust's educational and other objectives are going to be achieved within the expected level of resources over the next five years.

The Development Plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources for the following year.

The strategic planning process and the budgetary process are described in more detail below.

7.1 ANNUAL BUDGETS

Annual budgets will reflect the best estimate of the resources available to each Academy for the forthcoming year and how those resources are to be utilised by each Academy. There should be a clear link between the Academy Development Plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of DFE grant receivable
- review of other income sources available to the individual academies within the Trust to assess likely level of receipts
- review of past individual performance against budgets to promote an understanding of the Trust cost base
- identification of potential efficiency savings
- review of the main expenditure headings in light of the strategic plan objectives and the expected variations in cost, e.g. pay increases, inflation and other anticipated changes
- liaising with external agencies including major suppliers to ensure that the Trust's best financial interests are met.

Individual Academy plans and budgets will need to be revised until income and expenditure are in balance or surplus. Comparison of estimated income and expenditure against actual will identify any potential surplus or shortfall in funding.

If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available.

If a potential surplus is identified at an individual Academy within the Trust, this may be held back as a contingency or alternatively carried forward to invest in future years' priorities for the pupils that the Academy serves. As surplus funds arise a plan should be drafted to identify how these will be spent.

It will be the responsibility of each Local Governing Body's Finance Committee to set/recommend to the full governing body of their respective Academy an annual budget for submission to the Trust board. Such approval should be clearly minuted in sufficient time to allow prompt submission of aggregated plans to the DFE and should be accompanied by a statement of assumptions and explanations behind the plan so that if circumstances change, it is easier for all concerned to take remedial action.

The Chief Financial Officer, in conjunction with the Chief Executive Officer, is responsible for preparing and obtaining approval for the Trust annual budget, which aggregates the budgets of each Academy in the Trust. The budget must be approved by the Trustees.

The approved aggregated budget must be submitted to the Education Funding Agency (DFE) by 31 July each year or at a date specified by the DFE and the Chief Financial Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

Budgets should be seen as a working document which may need revising throughout the year as circumstances change. Formal changes will be reviewed by the Finance & Resources committee as the need arises.

7.2 MONITORING AND REVIEW

Budget monitoring reports have been developed in which variances are highlighted for discussion and appropriate. Monthly reports should be prepared by each Academy in line with the month end procedure deadlines. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Head Teacher and a copy must then be provided to Chief Financial Officer. The Finance & Resources Committee receive consolidated management reports monthly in line with the requirements of the Academy Trust Handbook.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. Any potential overspend against budget must, in the first instance, be discussed with the Head Teacher.

Each Academy should present monitoring reports to the Head Teacher on a monthly basis, finance governors at least three times a year, and, after approval from this body, the reports should be reported to the Academy's Governing Body.

8. PAYROLL

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payments
- leavers

8.1 STAFF APPOINTMENTS

The Local Governing Bodies have approved a staffing structure for their own academy in the Trust and the Head Teacher at the academy must ensure that adequate budgetary provision exists for any staffing changes.

Trustees of the Trust have the authority to appoint the Chief Executive Officer in consultation with the Members of the Trust.

Trustees of the Trust have agreed that the authority to appoint the Head Teacher at each Academy would normally be conducted by a panel consisting of a representative of the Trust, a representative from the Diocesan Board of Education and three governors from the Local Governing body. Of those three governors, one must be the Chair or Vice Chair. Guidance can be found in the Trust's Head Teacher Appointment Policy.

The appointment of a Chief Financial Officer must be approved by the Trustees of the Trust.

Central staff maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified to the HR department.

The Chief Executive Officer is responsible for ensuring that the Trust's pay policies are implemented.

The Chief Executive Officer is responsible for ensuring that the statutory obligations around the safer recruitment policy and procedures are administered and central HR staff are responsible for maintaining accurate records of all staff employed across the trust in a single central record format.

Personnel information is held in manual files at the central office under the guidance of the HR staff with access strictly limited to authorised staff only and separately on Access People computer systems, for which relevant registration under the 1998 Data Protection Act is held.

8.2 PAYROLL ADMINISTRATION

The Trust payroll is administered by our payroll department within the Central team.

Amendments to payroll data, e.g. appointments, resignations, pay changes and overtime, are made on the relevant documentation and must be authorised by the Head Teacher at each Academy or the Accounting Officer before being submitted to Payroll for action via Collaborate.

All employee pay claims (i.e. supply teachers, casual working and overtime claims) must be submitted by the employee via the Self Service portal in Access People and authorised by their line manager.

8.3 PAYROLL PAYMENTS

All staff are paid monthly by bank credit transfer to their bank accounts. The Trust's payroll system automatically calculates the deductions due from payroll to comply with legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts paid are summarised on the final build up to gross reports and a payroll journal created and posted to Access Finance by the payroll department.

Finance Officers should undertake a monthly pre run and final run reconciliation between the current month's actual expenditure and the budgeted payroll costs. Any variations should be investigated and reported to the Head Teacher and queries raised immediately with the payroll department. The reconciliation should be signed by the Finance Officer to verify the accuracy of the payments made. Variances can be discussed with the HT at the point of monthly monitoring.

On an annual basis, the Head Teacher or central HR staff will ensure pay statements are produced for all staff within their academy as at 1 September.

The Trust has a responsibility for ensuring that all payments to individuals are subject to tax and national insurance deductions where appropriate. In order to achieve this, the following guidelines should be followed:

- an assessment must be made as to whether the individual is working under a contract of service (i.e. employed) or a contract for services (i.e. self-employed) under Employment Legislation and IR35 guidance
- if considered to be a contract of service, the individual shall be set up as an employee of the academy before receiving payment through the payroll
- where an individual seeks payment from the academy under a contract for services, this must be in the form of an invoice containing sufficient particulars to justify the payment due.

Careful attention should be paid to repetitive payments to individuals.

Travel and mileage claims must be processed by the individual through the self-service portal and is paid through the payroll system. The academy may determine their own rates of reimbursement but if they exceed the HMRC Approved Rate they will render the claimant liable to income tax and N.I. on the excess amount. The Trust therefore maintains its rate of reimbursement at or below the current HMRC Approved Rates.

8.4 AUTO ENROLMENT/OPT OUT

Academies must fully comply with Teachers' Pensions and LGPS regulations regarding auto enrolment and opt out.

9. PROCUREMENT

The Trust wants to achieve the best value for money from all purchases. This means that the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:

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

9.1 ROUTINE PURCHASING

Budget holders will be informed of the budget available to them as soon as the budget is formally ratified and approved by the Trustees of the Trust. It is the responsibility of the budget holder to manage their element of the budget and to ensure that the funds available are not overspent. A print detailing actual expenditure against budget will be supplied to each budget holder 10 working days after the month end and budget holders are encouraged to keep their own records of orders placed but not paid for.

It is essential that all of the following controls are adhered to:

- orders should not be entered into verbally and unless a Charge Card has been used (following the Charge Card Policy), orders should be compliant with the procurement process
- all orders must be placed using Access Finance which automatically updates the financial records and enables committed expenditure to be included in management information for governors
- in exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order should be generated. Orders may be emailed to suppliers, in order to reduce timelines. Orders should only be approved in accordance with the authorised limits within the financial scheme of delegation
- orders may only be used for goods and services provided to the Trust. Private individuals and other organisations may not use the purchasing system to obtain work, goods, materials and services net of VAT
- **orders under £5,000** - can be ordered by authorised academy staff, who will be responsible for ensuring that reasonable steps have been taken to achieve Best Value. Best Value could be achieved by:

    - supplier chosen from the list of approved suppliers maintained by the Finance Office
    - bulk purchasing of common consumables
    - negotiating discounts
    - taking advantage of sale seasons
    - obtaining alternative competitive quotations wherever possible
    - negotiating product guarantees

- **orders over £5,000 but less than £10,000** - at least three competitive quotations should be obtained for all orders between £5,000 and £10,000 to identify the best source of the goods/services. Details of quotations obtained should be prepared and retained by finance staff for audit purposes. In exceptional circumstances where preferred suppliers are quoting, the requirement for further quotes may be removed upon agreement with the CFO.
- **orders over £10,000 but less than £50,000** - all goods/services ordered with a value over £10,000, or for a series of contracts which in total exceed £10,000, must be subject to three written competitive quotations and must be referred to the CFO and the Finance committee informed.
- **orders over £50,000** – will be subject to a tendering policy and must be authorised by the Chief Financial Officer.

The Academy budget holder or the Academy Finance Officer must make appropriate arrangements for the delivery of goods and services to the Academy. On receipt of goods and services there must be a detailed check of the goods and services received against the purchase order (or equivalent in exceptional circumstances). Where delivery notes are not produced, then the receipt of goods and services should be recorded on the order form. All discrepancies should be discussed with the supplier of the goods and services without delay.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Academy's Finance Officer should be notified. The Academy's Finance Officer will keep a central record of all goods returned to suppliers.

All invoices should be sent to the Academy's Finance Officer to be checked against the purchase order number (or equivalent in exceptional circumstances) and the delivery note to evidence the following:

- invoice arithmetically correct
- goods/services received
- goods/services as ordered
- prices correct

Invoices will be posted for payment on the finance system by Finance staff with the appropriate approvals.

9.2 BUSINESS CHARGE CARDS

Refer to the Trust's Charge Card Policy. Business Charge Cards are held by named cardholders in each Academy and centrally. Each academy may hold two cards with a total maximum value of £2,000 per month. A higher monthly value must be authorised by the Chief Financial Officer. The cards would normally be held by the Office staff, and/or Premises Manager within each Academy. Central Finance Officers hold a charge card for each school (save REC/ASP). Each cardholder is personally responsible for the safe custody of their card. The card should be held securely at all times and any loss of cards should be reported immediately. Both the cardholder and Head Teacher are jointly liable for the integrity of all transactions and proper and controlled use of the charge card. All receipts must be produced and reconciled monthly to the monthly statement by the Finance Officer.

The Finance Officer will check each Academy's monthly reconciliation to ensure that the business charge card system is operating correctly. Charge card transactions can only be made once a purchase order has been raised and authorised by the appropriate signatory.

9.3 OPERATING LEASES

Academies that wish to pursue an Operating Lease (minibus, photocopiers etc) must inform the Chief Financial Officer who will sign the lease on behalf of the Trust if appropriate. The term of the lease cannot extend beyond a 3 year term and three quotations must be obtained in order to demonstrate the general principles of probity, value for money, accountability and fairness. The Trust must be satisfied that the academy has the necessary financial resources to pay the lease over the given period and will need to demonstrate this within their budget planning. The maximum total value of the Operating Lease must not exceed £30,000 for the entire term.

Operating Leases that exceed this value must be approved by the Chief Financial Officer.

9.4 CONTRACTS/SERVICE LEVEL AGREEMENTS

Academies may enter into contracts and service level agreements to the maximum single value of £30,000 per contract having received approval from the Chief Financial Officer. Three competitive quotations must be sought to ensure value for money. The Chief Financial Officer will sign all contracts/SLA's.

10. OTHER MATTERS

Services provided by sponsors and sponsor-related bodies

The Trust must ensure that any contracts for services provided to their Trust Academies are properly procured at cost. The Trust must ensure that sponsor fees and consultancy rates included within contracts are reasonable, represent value for money and are good use of public funds.

Irregular or improper transactions

Situations may arise where it may appear to the Trust to make sense to enter into a transaction which is irregular, improper or does not provide value for money. In these circumstances the Trust must seek prior, written permission from the DFE. Such transactions may additionally require HM Treasury approval dependent on the nature of the transaction involved.

Managing surplus General Annual Grant (GAG)

It is important that grant is spent as needed to avoid excess calls on Exchequer funding and public borrowing. The DFE previously set limits on the amount of GAG that could be carried forward from one year to the next. These limits have now been removed so that Academy Trusts have the freedom to keep money aside for when it is needed most and to build up reserves, for example for long-term capital projects. The Trust board request any surplus reserves exceeding 7% in any academy submit information as to its long-term plan.

The DfE expects Academy Trusts to use their allocated funding for the full benefit of their current pupils. Therefore, it is important that, if the Trust has a substantial surplus, they have a clear plan for how it will be used to benefit their pupils.

The DFE will also verify the sums of unspent funds when it checks the Trust's accounts and highlight and report, to the relevant DfE Boards, any cases where it has serious concerns about a long-term substantial surplus with no clear plans for use.

Pooling of GAG by Multi-Academy Trusts

The Trust has the freedom to amalgamate a proportion of GAG funding for all its academies to form one central fund. This fund can then be used to meet the normal running costs at any of the academies within the Trust in accordance with the guidelines that govern the use of GAG funding.

The Trust must have due regard to the funding needs and allocations of each individual Academy and they must have an appeals mechanism in place. If an individual Academy's Head Teacher feels that the Academy has been unfairly treated in relation to pooling arrangements, they should first appeal to the Trust. If the Academy Head Teacher's grievance is not resolved, they may then appeal to the Secretary of State for Education, whose decision will be final and who may dis-apply the provisions for pooling in this Handbook in relation to the Trust. The Diocese of Canterbury Academies Trust does not currently amalgamate academy surplus funds into a central fund, however a small percentage of GAG funding is contributed by each academy to the Trust to cover central services and school improvement.

Part Two INTRODUCTION - LOCAL GOVERNING BODIES AND ACADEMIES

This section outlines the respective responsibilities of each Local Governing Body, Head Teacher and staff in relation to financial administration. The Policy also provides a standardised approach to all finance related tasks within the academies and covers all academies within the Trust.

Please note that this policy should be used in conjunction with the Academy Trust Handbook.

11. SUMMARY OF RESPONSIBILITIES

- the management of the academy is, through its Scheme of Delegation, the responsibility of its Local Governing Body, and, to the extent of the delegated powers vested in them, the committees created by the Local Governing Body
- the Local Governing Body delegates day to day responsibility for carrying out the policies and decisions of the Local Governing Body and its committees to the Head Teacher
- sub-committees of the Local Governing Body will act strictly within the remit allocated to them by the Local Full Governing Body
- management and administration duties undertaken by the Head Teacher and the members of the Academy Staff shall be carried out in accordance with the terms of this statement, and within the terms of their contract of employment
- it is the responsibility of the Local Governing Body (or Finance Committee where this is delegated) to set/recommend to the full governing body an annual budget for the academy for submission to the Trust Board which accords with the academy's aims and objectives, as set out in the current Academy Improvement Plan, and the legislative responsibilities undertaken by the Governing Body. Such approval should be clearly minuted by the Local Governing Body's Finance Committee (if appropriate) or the full Local Governing Body in sufficient time to allow prompt submission of the plan to the Education Funding Agency (DFE) and the Trust Board
- the Head Teacher will prepare a recommendation for expenditure by reference to the anticipated budget provision of the academy, sufficiently in advance of each financial year, in order to allow due consideration and approval by the Local Governing Body (or Finance Committee). The Head Teacher will advise the Local Governing Body (or Finance Committee) on all areas of the academy budget
- the Local Governing Body (or Finance Committee) will, in each year, consider the recommendation of the Head Teacher and will set an Annual Budget. Acting with advice and knowledge acquired from any combination of the Local Governing Body, The Local Governing Body's committees, Head Teacher or staff. The Local Governing Body (or Finance Committee) will ensure that adequate long-term budgeting is undertaken in order that the long term performance of the Academy may be maintained. This will be approved and authorised by the Board of the Trust.

11.1 THE ROLE OF THE LOCAL GOVERNING BODY

The role of the Local Governing Body in academy financial administration is:

- to plan the overall academy budget, including priorities for future expenditure
- to submit the budget plan to the Trust Board for approval
- to approve the Draft Annual Budget
- to maintain a register of pecuniary interests for governors and staff
- to establish a Finance Committee (at the discretion of the Local Governing Body) and elect its members, and to review the committee's remit and membership on an annual basis

11.2 THE ROLE OF THE FINANCE COMMITTEE

In order to assist in the fulfilment of the Local Governing Body's responsibilities, the Finance Committee will meet as necessary. Best practice will be to convene meetings at least once a term to:

- determine the Academy's annual budget, including staffing
- plan the Academy budget in accordance with the priorities in the Academy Improvement Plan
- consider reports from the Head Teacher comparing expenditure with budget and to approve virements as necessary
- ensure the academy follow the written description of financial systems and procedures
- operate the governing body's arrangements for obtaining quotations and inviting tenders
- submit to the Board any proposed write-offs and disposals of surplus stock and equipment
- determine matters relating to building maintenance, health and safety and lettings outside academy hours in accordance with the Governors' delegated responsibilities
- determine matters relating to academy security
- consider the findings and recommendations of the Trust's Audit Committee reports and findings identified by the Chief Financial Officer
- the Chair of the Committee shall ensure that minutes are signed at the next meeting to confirm that they are accurate. Copies of the agenda, the approved minutes (subject to confidentiality exclusions), and papers for each meeting should be made available at the Academy for anyone to read.

Where the Local Governing Body elects not to have a separate Finance Committee the responsibilities in 11.2 remain with the Local Governing Body.

11.3 THE ROLE OF THE HEAD TEACHER

The day-to-day operation of the budget is delegated to the Head Teacher, who will be responsible for:

- preparing the academy improvement plan and academy budget in accordance with priorities agreed by the governors and submission of these plans to the Governing Body for approval
- managing internal control systems and internal financial transactions in accordance with the Trust's Financial Administration & Control Policy
- maintaining adequate financial records in accordance with Academy Trust Handbook
    1. Budget Plan Entry Form Current Year + 3 preceding years
    2. Staff Salary Calculations Current Year + 3 preceding years
    3. Academy Management Plan Current Year + 3 preceding years
    4. General Allowance Allocations Current Year + 3 preceding years
    5. Virements within Budget Share Current Year + 3 preceding years
    6. Orders, Quotes and Tenders Current Year + 6 preceding years
    7. Copy Invoices/Credit Notes Current Year + 6 preceding years
    8. Copy Payment Schedules Current Year + 6 preceding years
    9. Delivery Notes Current Year + 6 preceding years
    10. Bank Reconciliation Records Current Year + 6 preceding years
    11. Education Sales Database Statements Current Year + 2 preceding years
    12. Bank Statements Current Year + 6 preceding years
    13. Bank Paying In Slips Current Year + 6 preceding years
    14. Travel Claims Current Year + 6 preceding years
    15. Income/Lettings Receipts Current Year + 6 preceding years
    16. Copy Sundry Debtor Accounts Current Year + 6 preceding years
    17. Authorised signatories list – orders Current List
    18. Register of Pecuniary Interests Current List
    19. Inventory Records Current Year + 6 preceding years
    20. Salary and Wage Returns Indefinitely
    21. Academy registers Indefinitely
- setting limits of expenditure for members of staff authorised to place orders
- providing a monthly budget monitoring report to governors. This should report any variations in expenditure against the approved budget plan
- monitoring the cash flow

- ensuring that returns to the Trust are submitted according to published deadlines
- providing access to accounting and other relevant records to Audit, including academy fund(s), and implementing auditor recommendations where necessary
- checking that the academy inventory is maintained as accurately and up to date as possible and ensuring that an independent check of the inventory is made at least once a year
- recommending to governors equipment to be written off or disposed of. Ensuring that disposal of such equipment is adequately recorded in the Governors' minutes and that the disposal of assets is conducted in an open manner and where income generated from disposal is maximised. Ensuring that stolen items are reported to the Finance committee before formal approval to delete that item from the inventory/asset register
- ensuring that adequate procedures are in place for the prompt security marking of all items of a portable and desirable nature
- ensure that adequate controls are in place to ensure that all responsibilities delegated are monitored
- maintain a central file of all submitted applications for grant funding and counter sign and submissions for audit purposes

11.4 THE ROLE OF THE FINANCE TEAM

Subject to accordance with individual job descriptions the Head Teacher may delegate financial procedures to the finance team. The finance team's roles may include:

- reviewing the monthly salary reports and signing and dating these to confirm they are accurate and noting any queries
- providing budget monitoring /outturn monthly reports for the Head Teacher to present to governors and submission to the Chief Financial Officer
- submitting pay returns to payroll as appropriate
- ensuring that invoice checking procedures are followed
- ensuring that, in conjunction with the Head Teacher, authorisation of orders, invoices and schedules are in accordance with this Financial Administration & Control Policy and the Academy Trust Handbook
- prompt and intact banking of income and associated recording of income in accordance the Academy Trust Handbook
- operating the local expenditure bank account as per the Academy Trust Handbook
- to prepare cash flow statements so as to ensure the academy has sufficient cash to meet its needs and submit these to the finance committee
- administering the recording of income received, and payments made from the academy fund. Retention of all documents such as collection records and receipts to support the transactions processed through the academy fund. Preparation of the year end summary of transactions for inspection, in accordance with the Academy Trust Handbook
- assisting in the maintenance of an accurate inventory and associated security procedures
- assist in the preparation of the five-year budget plan and the financial returns to the DFE

11.5 THE ROLE OF THE STAFF

The role of staff in academy financial administration is:

- to familiarise themselves with this Policy
- to conduct all financial transactions relating to the academy in accordance with this Control Policy
- to manage any budget delegated to them by the Head Teacher responsibly, and after due consultation with relevant staff
- to actively seek 'best value' on all work, goods, materials or services procured on behalf of the academy
- to ensure that all relevant documents (delivery notes, invoices etc.) are promptly passed to the administrator for processing

12. LIMITS OF DELEGATION

The following limits will be applied to the academies in the Trust:

12.1 VIREMENTS WITH BUDGET SHARE

The Head Teacher is authorised to vary the annual budget prepared by the Finance Committee and approved by the full Local Governing Body and the Board provided there is no impact on the overall budget. This variation shall be the result of any change in the day-to-day spending plans of the academy, but still be in accordance with the aims and objectives of the academy, as laid down in the Academy Improvement Plan. This variation, known as a 'Virement within Budget Share' shall not exceed **£25,000**. A 'Virement within Budget Share' in excess of £25,000 with no impact on the overall budget should be recommended to the Finance Committee by the Head Teacher and actioned after minuted approval of the 'Virement within Budget Share' by the Finance Committee. Any other virements that do have an impact on the overall budget must be approved by the local governing body and notice provided to the Chief Financial Officer.

12.2 INVOICES

Invoices will be authorised for payment by the relevant member of staff.

12.3 BACS PAYMENTS

All BACS payments and other instruments authorising withdrawal from the bank accounts administered by the academy, must be carried out by Finance staff.

13. FINANCIAL REPORTS TO GOVERNORS

The Head Teacher is responsible for providing the Local Governing Body and the Trust Board with a report on the budgetary position of the academy at regular intervals. The report should be produced on a monthly basis by the finance staff in the agreed format and presented to Governors at least once a term.

Financial reports should be reliable and relevant to users, the characteristics of good quality financial information are:

- **Produced promptly.** Financial reporting should be carried out in line with the Academy Trust Handbook
- **Accurate.** Actual expenditure appearing on the report should agree to what has been processed on Access Finance using the Management Reports supplied in the Reporting Module. There should be a monthly reconciliation of the bank account to the finance system. Where amounts have been charged to the academy and are still in dispute, these should still be included in the actual expenditure until queries have been resolved
- **Complete.** To provide governors with a 'true and fair' view of the academy's financial position the reports must include committed expenditure. For information to be complete expenditure that the academy has been committed to including details of orders and invoices outstanding must be included
- **Understandable.** Reports need to be understandable to the intended recipient; in particular financial reports to governors should be jargon free
- **Concise.** Reports should be summarised as appropriate and not contain an unnecessary amount of detail. Academies must use the monthly monitoring template provided by the Trust to ensure consistency
- **Include a profiled budget.** To ascertain whether the level of expenditure to a given date is reasonable, the expected expenditure up to the same date should be provided by the inclusion of a profiled budget. Based on knowledge of the academy's spending patterns the profile looks at the total budget for the year and indicates what percentage of that budget it would be reasonable to have spent by the specified date
- **Include explanatory notes**. Where there are significant variances on budget headings an explanation should be provided with the report. Proposed actions to address variances should also be reported and

actions agreed should be minuted. Where large orders are due to be placed, this may also require a note to the report

- **Include a projected out-turn** on at least a termly basis, which is an estimate of the final budget position of the academy at the end of the financial year

14. PROCUREMENT OF GOODS AND SERVICES

Budget holders will be informed of the budget available to them as soon as the budget is formally ratified and approved by the Trustees. It is the responsibility of the budget holder to manage their element of the budget and to ensure that the funds available are not overspent. A print detailing actual expenditure against budget will be supplied to each budget holder a week after the end of each month and budget holders are encouraged to keep their own records of orders placed but not paid for.

14.1 PURCHASE ORDERS

The procurement of goods and services is the process potentially most open to abuse or mis-management and it is therefore essential to have strong financial controls to safeguard the academy's interests. It is essential that all of the following controls are adhered to:

- all orders for goods and services must be authorised prior to purchase order processing on Access Finance, unless exceptional circumstances dictate otherwise. It is the responsibility of the budget holder to be satisfied that the work, goods, materials or services are appropriate and necessary, that there are adequate funds in the academy budget for that purpose and that sufficient quotations/tenders have been obtained
- all orders must only be processed by the finance team once a PO has been raised and authorised
- the use of the Access Finance purchase order process automatically updates the financial records and enables committed expenditure to be included in management information for governors
- in exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order should be generated. Orders may be emailed to suppliers, in order to reduce timelines.

14.2 INVOICE PROCESSING

When invoices are received, it is essential to check that all the elements of the invoice are correct before authorising payment. The checks should be carried out and evidenced by separate individuals where possible. An invoice certification stamp is the best way of providing evidence that the following checks have been carried out:

- All invoices should be sent to the Finance Assistant to be checked against the Finance system. Purchase Order number (or equivalent in exceptional circumstances) and the delivery note to evidence the following:
    - invoice arithmetically correct
    - goods/services received
    - goods/services as ordered
    - prices are correct
    - that the invoice is not a copy and has not previously been paid. If it is necessary to request a duplicate invoice (if original is lost), then this duplicate shall be endorsed 'not previously passed for payment'. The endorsement should be certified by the Finance Officer.
    - Where delivery notes are not produced, then the receipt of goods and services should be recorded on the order form. All discrepancies should be discussed with the supplier of the goods and services without delay.
- if any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Officer should be notified.
- the Finance Officer will confirm that the invoice is authorised for payment. This authorisation shall be evidenced via the online audit trail on the online Finance system authorisation process

- Valuable items that are portable and desirable should be security marked and added to the inventory or asset register immediately

15. RECONCILIATION PROCEDURES

It is essential that thorough procedures are in place to ensure that all costs incurred and income received against the Academy's account(s) are valid and verify that they are the responsibility of the Academy. The Head Teacher is responsible for ensuring that controls are in place for these checks to be carried out. The Head Teacher will delegate this role to the Academy's Finance Officer.

The Finance Officer is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- **payroll** - the Finance Officer will receive monthly payroll reports from the payroll department to be reconciled to check that transactions for supply staff, casual staff and overtime have been made correctly against authorised claim forms submitted to payroll. The Finance Officers will undertake a monthly pre and post reconciliation between the current month's actual expenditure and the budgeted payroll costs. Any variations should be investigated and reported to the Head Teacher and queries raised immediately with the payroll department.
- **bank balance per the nominal ledger to the bank statement**- the Finance Officer must ensure bank statement reconciliations are performed on a weekly basis for the central account and monthly for deposit and charge card accounts. The Reconciliation procedures must ensure that all bank accounts are reconciled to the Academy's cash book and trial balance. Reconciliations are prepared by the Finance Officer as part of the month end process.
- **charge cards** - monthly statements will be received by each Academy. All receipts must be produced and reconciled monthly to the monthly statement by the Finance Officer.
- **VAT** – The Chief Financial Officer will complete a consolidated VAT 126 Reclaim on behalf of its academies on a monthly basis after the month end procedures have been carried out. Reimbursement of VAT will be made to each Academy by the Trust upon receipt from HMRC.
- **trial balance** – the Finance Officer must run a trial balance as part of the month end procedures and ensure that all ledgers are reconciled back to the trial balance. Any inaccuracies must be investigated and corrected immediately.

Any unusual or long outstanding reconciling items must be brought to the attention of the CFO.

16. OPERATION OF LLOYDS BANK ACCOUNT

The trust operates a single central bank account for all schools with the following controls:

- BACS payments are prepared by the Chief Financial Officer twice monthly
- a minimum of two signatures is maintained on the mandate. The CEO and CFO are the signatories on the mandate
- the Head Teacher may sign all payments other than those payable to themselves
- no member of staff is permitted to sign payments payable to themselves or to someone closely connected to themselves or in whom they have a pecuniary interest
- a statement to be provided at least once a month
- to disallow any overdraft

Direct debit payments may be entered into for the payment of utility bills and other suppliers with whom the Academy has a regular contract. The value of each Direct Debit should be reviewed and compared with invoices received from the supplier. Suppliers paid by Direct Debit must be reviewed regularly to ensure they continue to provide Best Value. On receipt of the bank statements, the Academy will reconcile the bank balance to the balance held in the Access Finance accounting system.

17. SECURITY, INVENTORIES, STOCKS AND DISPOSAL OF ASSETS

The local governing body is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, etc. under its control.

17.1 SECURITY

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

Safes must be kept locked and the key removed. Keys to safes and cash boxes must be carried on the person of the nominated key holder at all times. The loss of such keys should be reported to the Head Teacher immediately.

Money left on the premises shall be secured in a locked safe, where provided, or in a locked secure cabinet. The insurance limit for cash (and cheques) held in a safe is £5,000, unless a higher limit is specifically agreed with insurance.

Losses due to theft of stocks or cash shall be promptly reported to the Police, Head Teacher, Governing Body and the Chief Executive Officer.

Arrangements should be made to ensure that only authorised staff have access to computer hardware and software used for academy management. Passwords should not be disclosed or shared and should be changed regularly. Access rights of any staff leaving the academy should be promptly revoked. The management of IT security and data protection will be part of the IT support contract with the relevant outsourced provider as well as employed staff as necessary.

17.2 INVENTORIES

All individual assets above the value of £5,000 and with a life cycle of more than 12 months should be maintained on the Asset Register spread sheet. This should be recorded with an adequate description of all land, buildings, moveable plant and machinery, vehicles, furniture, fittings and IT equipment belonging to the Academy. Assets below the above value should be recorded separately on the academy's asset register.

The asset register should include the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from DfE grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset

The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- to manage the effective utilisation of assets and to plan for their replacement
- help the external auditors to draw conclusions on the annual accounts and the Trust's financial system

- support insurance claims in the event of fire, theft, vandalism or other disasters

Non-Current Assets are to be depreciated to reflect the recoverable amount in the financial statements, over the useful life of the asset.

The depreciation will be calculated on an annual basis for preparation of the year end accounts.
Groups of assets will use the same method of depreciation. There may very occasionally be an asset that does not completely fit into one of the categories below and the Chief Financial Officer will discuss these items on an individual basis.

The Trust has determined appropriate depreciation rates, based on the assessment of the useful economic life and expected residual value when the assets are acquired. Depreciation will be charged annually using the following straight-line percentages:

- Leasehold land: 0%
- Leasehold buildings: 2%
- Leasehold additions 2%
- Furniture & equipment 10%
- Computer equipment & software: 25%
- Motor vehicles: 10%

All the items in the asset register should be permanently and visibly marked as the Academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Governing Body. Inventories of Academy property should be kept up to date and reviewed regularly. Where items are used by the Academy, but do not belong to it, this should be noted.

The immediate responsibility for the safeguarding of equipment lies with the end user departments. In support of this, the Academy provides security measures, including caretaker cover, burglar alarm systems, inventories, security marking, maintenance and support agreements where appropriate, and insurance cover.

17.3 ACQUISITIONS AND DISPOSAL OF ASSETS

Individual asset purchased (or groups of linked assets) above £5,000 should be capitalised and entered onto the Asset register within Access Finance.

The Trust must seek and obtain prior written approval from the Secretary of State, via the DFE, for the following transactions:

- acquiring a freehold on land or buildings
- disposing of a freehold on land or buildings
- disposing of heritage assets beyond any limits set out in the Trust's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained Head principally for their contribution to knowledge and culture, as defined in applicable financial reporting standards

Academies may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State. Any disposal must maintain the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.

Some property transactions may be novel or contentious and so require the consent of the Secretary of State on that basis. Novel payments or other transactions are those in which the academy or the Trust has no experience, or are outside the range of normal business activity for the Trust. Contentious transactions are

those which might give rise to criticism of the Trust by the public or the media. It is difficult to be specific about what might constitute novel or contentious payments; it is for Trusts to use their judgement about when they should seek the prior advice of the DFE. Public money must always be spent prudently and in ways that command broad public support.

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head Teacher and, where significant, should be sold following due process:

- taking reasonable steps to advertise the disposal
- inviting bids for the asset (sealed bids are preferable)
- negotiating with potential purchasers

The Academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which a capital grant in excess of £20,000 was paid.

The Trust may agree to give assets bought for a proper purpose, but which are no longer needed for the conduct of its business, to a charity, up to a maximum value of £1,000 per single donation. The residual value of assets is determined by the greater of the written down value or market value.

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

The Academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other Academy assets. If the sale proceeds are not reinvested then the Academy must repay to the DFE a proportion of the sale proceeds.

17.4 LOAN OF EQUIPMENT

Items of Academy property must not be removed from Academy premises without the authority of the Head Teacher. A record of the loan must be recorded and the asset booked back in when it is returned.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the Academy's auditors.

18. CHARGING POLICY

The Trust is committed to the general principle of free education and recognises the valuable contribution that a wide range of activities, including academy visits and residential experiences, can make towards all aspects of students' education. It also believes that all our students should have an equal opportunity to benefit from academy activities and visits (curricular and extracurricular) independent of their parent's financial means.

The Trust recognises its responsibility to ensure that the offer of activities and educational visits does not place an unnecessary burden on family finances. To this end academies should try to adhere to the following guidelines:

- where possible academies shall publish a list of visits (and their approximate cost) at the beginning of the academy year so that parents can plan ahead
- academies have established a system for parents to pay in instalments
- when an opportunity for a trip arises at short notice it will be possible to arrange to pay by instalments beyond the date of the trip
- academies acknowledge that offering opportunities on a 'first pay, first served' basis discriminates against pupils from families on lower incomes and we will avoid that method of selection.

The 1996 Education Act requires all academies to have a policy on charging and remissions for academy activities, which will be kept under regular review.

The policy identifies activities for which:

- voluntary contributions may be requested
- charges will be made
- charges will not be made
- charges may be waived

18.1 VOLUNTARY CONTRIBUTIONS

Separately from the matter of charging, academies may always seek voluntary contributions in order to offer a wide variety of experiences to pupils. All requests for voluntary contributions will emphasise their voluntary nature and the fact that pupils of parents who do not make such contributions will be treated no differently from those who have.

The Law states:

- if the activity cannot be funded without voluntary contributions the Governing Body or Head Teacher will make this clear to parents from the outset
- no child will be excluded from an activity because his or her parents are unable or unwilling to pay
- if insufficient contributions are received, the trip or activity may have to be cancelled
- if a parent is unwilling or unable to pay their child will still be given an equal chance to go on the visit.

18.2 CHARGES WILL BE MADE

The Trust reserves the right to make a charge for the following activities which may from time to time be organised by the academy:

- **activities outside academy hours**- the academy will endeavour to provide a range of such activities from time to time. These will sometimes include day and residential experiences, and are known generally as 'optional extras'. Charges may be made for these activities EXCEPT where they are provided to fulfil any requirements specified in the syllabus of a prescribed public examination or are required in order to fulfil statutory duties relating to the National Curriculum or to religious education in which case they are not regarded as optional extras as such and charges cannot be made. (Board and lodging charges may still however be made for any residential activities subject to the remission arrangements described below (time spent on travel counts in this calculation if the travel itself occurs during academy hours)
- **residential activities held during academy hours**- charges may be made for the board and lodging element of those residential activities during academy hours. Parents will be notified in advance of any such activities which the academy proposes to organise and the estimated cost. Parental consent will be obtained for their children's participation in any such activities for which a charge may be made. However pupils whose parents are in receipt of certain benefits (see remissions policy below) may not be charged for board and lodging costs
- **music tuition**- music tuition for individuals or groups of up to 4 pupils
- **home to academy student transport**- costs incurred by the academy in providing home to academy transport for students who live outside of the academy's designated catchment area

Parents will be notified in advance of any 'optional extras' which the academy proposes to organise and the estimated cost. Parental consent will be obtained if their children are to participate in any activities for which a charge may be made.

Any charge for a particular activity will be dependent upon the type of activity and its cost and the number of

participants. This charge will not exceed the actual cost of providing the activity, divided equally by the number of pupils willing to participate. The cost of other pupils participating in the visit will not be included in the charge. The charge may however include an appropriate element for such things as:

- the pupil's travel costs
- the pupil's board and lodging costs
- materials, books, instruments and other equipment
- non-teaching staff costs
- entrance fees to museums, castles, theatres, etc.
- insurance costs
- the expenses only of participating teachers engaged on a separate contract for services to provide the 'optional extra'

If the number of academy sessions on a residential trip is equal to or greater than 50% of the number of half days spent on the trip it is deemed to have taken place during academy hours (even if some activities take place late in the evening). Whatever the starting and finishing times of the academy day, regulations require that the academy day is divided into two sessions. A 'half day' means any period of 12 hours ending with noon or midnight on any day.

18.3 CHARGES WILL NOT BE MADE

Charges will not be made for the following:

- an admission application
- education provided during academy hours (including the supply of any materials, books, instruments or other equipment)
- education provided outside academy hours if it is part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil is being prepared for at the academy, or part of the academy's basic curriculum for religious education
- tuition for pupils learning to play musical instruments (or singing) if the tuition is required as part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil is being prepared for at the academy, or part of religious education
- entry for a prescribed public examination, if the pupil has been prepared for it at the academy
- examination re-sit(s) if the pupil is being prepared for the re-sit(s) at the academy. However, if a pupil fails, without good reason, to meet any examination requirement for a syllabus a charge will be made
- education provided on any trip that takes place during academy hours
- education provided on any trip that takes place outside academy hours, is part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil is being prepared for at the academy, or part of the academy's basic curriculum for religious education
- supply teachers to cover for those teachers who are absent from academy accompanying pupils on a residential trip
- transport provided in connection with an educational trip

18.4 REMISSIONS

In order to remove financial barriers from disadvantaged pupils, the Trust has agreed that some activities and visits where charges can legally be made will be offered at no charge or a reduced charge to parents in particular circumstances. This remissions policy sets out the circumstances in which such charges will be waived.

Families will qualify for remission or help with charges if they are in receipt of:

- Pupil Premium
- Universal Credit

- income-based Jobseekers Allowance
- support under part VI of the Immigration and Asylum Act 1999
- Child Tax Credit, provided that Working Tax Credit is not also received and the family's income (as assessed by Her Majesty's Revenue and Customs) does not exceed the threshold
- Guaranteed State Pension
- An income related employment and support allowance, introduced on October 27th 2008

Additional categories of parents may claim help with some costs in the following circumstances:

- specific individual circumstances that have caused temporary hardship
- recently moved into hardship but not yet receiving the benefits mentioned above
- made a specific request to the Head Teacher for any other justifiable reason. The remission is at the Head Teacher's discretion in these circumstances based on any evidence provided

19. INSURANCE ARRANGEMENTS

The Trust Board will take out such insurance as it sees fit and/or as it is advised, and to comply with statutory requirements. The Trust Board will obtain the following insurance cover as a minimum:

- Buildings and contents
- Business continuity
- Employers and Public Liability

All risks will be reviewed annually to ensure that the cover is adequate. Currently the Trust has approved insurance cover through the DfE under the Risk Protection Arrangement.

All contractors must have public liability insurance before they are allowed to undertake work on any of the Trust Academies' premises.

People hiring any Academy premises and using facilities should either be covered by the Trust's insurance at an additional cost, or must produce a valid public liability insurance with indemnity up to £5,000,000.

20. RECEIVING INCOME

The main sources of income for the Academy are the grants from the Education Funding Agency (DFE), received via the Trust. The receipt of these sums is monitored directly by the Chief Financial Officer who is responsible for ensuring that all grants due to each Academy are collected.
Academies also obtain income from:

- student teachers from universities and other institutions
- hiring of premises and facilities
- academy meal sales
- uniform sales
- pupils, mainly for trips
- external peer review and support services

Charges can also be made to pupils to defray the costs of certain activities (see Charging Policy).

Academies may also generate some income through entrepreneurial activities. Such charges should be made in accordance with the Trust's charging policy.

Premises hire charges are determined by the Governing Body's policy on premises hire, unless exceptional circumstances require otherwise. In such circumstances, charges are determined at the discretion of either the Head Teacher, the Chief Executive Officer or Chief Financial Officer.

All sales invoices must be raised and recorded as Academy income into the lettings budget cost centre within the Access Finance accounting system and receipts will be issued when requested.

All monies must be banked, in their entirety, into the main academy bank account. The Finance Officer is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Head Teacher.

All outstanding sales invoices should be reviewed each month by the Finance Officer and pursued to ensure that the Academy receives all monies due in line with the terms of the payment.
Academies may write off specific debts and losses, including any uncollected fines up to the maximum value of £1,000. The Chief Financial Officer must approve any write off above this value. The above limit refer to the gross value of the debt.

21. MISCELLANEOUS ISSUES

21.1 REGISTER OF PECUNIARY (OR BUSINESS) INTERESTS

The Governing Body, or relevant committee of the Governing Body, shall maintain a 'Register of Pecuniary Interests' that lists the personal interests, financial or otherwise, that could be deemed a potential conflict of interest for any Governor, Head Teacher or any other member of staff. All Governors and members of staff shall declare in writing if they have a pecuniary interest in a personal capacity in any contract with the Academy. This shall be reported to the Trust Board.

The Head Teacher shall keep the Register up to date as new Governors or staff join the Academy and must undertake an annual review. A Pecuniary Interest form should contain the following information:

- the name of the relevant member of staff
- the company or organisation the member of staff has an interest in
- what the interest is

Those Governors or staff not holding any pecuniary interests must submit a nil return.

21.2 GIFTS & HOSPITALITY

This Trust aims to ensure that the academy Trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the latest Academy Trust Handbook. The Trust and those associated with it operate in a way that commands broad public support, has due regard to propriety and regularity, and ensures value for money in the use of public funds. Trustees fulfil their fiduciary duties and wider responsibilities as charitable Trustees and company directors.
Members, Trustees and staff are aware of what constitutes acceptable gifts and hospitality, and the process that must be followed if they are presented with any of the same.

As a general guideline, gifts, hospitality or other personal benefits (hereinafter referred to as "Gifts") should not be accepted or offered by any member of staff or governor, except as provided for below.
The intention of the Policy is to ensure that Academies within the Trust and Trust Staff can demonstrate that no undue or improper influence has been applied, or could be perceived to have been applied, by any supplier or anyone else dealing with the Trust. The Trust must be able to show that all decisions, whether educational, financial or otherwise are reached on the basis of the proper application of laid-down procedures and for no other reason.

Any breach of this Policy could lead to disciplinary action and may constitute gross misconduct.

21.2.1 Definitions

Gifts are any items, cash, awards, prizes, goods or services, offered without expectation of payment or benefit. Gifts also include goods or services offered at a discounted rate, or on terms not available to the general public. **Hospitality** is defined as food, drink, accommodation or entertainment (such as cultural or sporting events) provided free of charge, heavily discounted or on terms not generally available to the general public. **NOTE**: **It is prohibited for Alcohol to be purchased from the school budget**.

21.2.2 The Receipt of Gifts

The Trust encourages and expects staff and governors to use their networks and contacts for its benefit. It is, however, a fundamental requirement on all staff and governors, the contravention of which would be considered to be gross misconduct, that they must not derive any financial benefit beyond their agreed salary from the decisions they make or contribute to, which involve the education of students, or the spending of the significant sums of public money that are entrusted to the Trust. Therefore, staff and governors shall not use their authority or office for personal gain beyond their agreed salary and shall seek to uphold and enhance the standing of the Trust by:

- maintaining an unimpeachable standard of honesty and integrity in all their business and other relationships
- complying with the letter and spirit of the law in contractual obligations, rejecting any business practice that might be deemed improper
- at all times in their business and other relationships, act to maintain the interests and good reputation of the Trust

Any employee who becomes aware of a breach of Policy must refer to the Trust's Whistle Blowing Policy and report the alleged breach immediately to his or her line manager who will instigate investigations as necessary.

Any personal interest that may impinge, or might reasonably be deemed by others to impinge, on an employee's or governor's impartiality, or conflict with the duty owed to the Trust in any matter relevant to an employee's or governor's duties (such as conflicting business interests) shall be declared in writing. Any member of staff or governor who is aware of any business dealings conferring personal gain, or involving their relatives or associates must make an appropriate entry in the Register of Business Interests.

Staff and governors are permitted to accept gifts, rewards or benefits from students, students' families, members of the public, or organisations which the Trust has official contacts with, only where they are isolated gifts of a trivial character, or inexpensive seasonal gifts (such as chocolates, flowers, diaries or calendars). Therefore, gifts should not be accepted if they appear to be disproportionately generous, or could be construed as an inducement to effect a decision or action, whether business, educational, or other.

Where purchased items include a 'free gift', such a gift should be either used for Trust business or handed to the Trust (or an Academy within the Trust) to be used at charity raffles, student prizes, etc.

In relation to conventional hospitality (lunches, outings, tickets for events, etc), it may be accepted provided that it is normal and reasonable in the circumstances. However, invitations for the following should not be accepted:

- where there is no reasonable business justification for doing so
- where an invitation is disproportionately generous
- where the invitation could be seen as an inducement to affect a business or other decision.

Any hospitality, other than of a nominal value (estimate of £50) or facilities provided during the normal course of business, should be reported to the Head Teacher or, in the case of the Head Teacher, to the Chief Executive Officer. In the case of the Chief Executive Officer, this should be reported to the Chair of the Trust Board.

21.2.3 The Providing of Gifts

The Trust encourages and seeks cooperative relationships between staff, governors, stakeholders and external organisations. Accordingly, there can be occasions where it is appropriate for the Trust or Academies within the Trust to provide and fund limited gifts, in particular hospitality, which will principally be dealt with in-house. Likewise, it may be appropriate for leaving gifts to be provided to staff leaving the employment of the Academy, particularly after a long period of service. Such gifts are often supplemented with private contributions from continuing members of staff.

21.2.4 Unacceptable gifts and hospitality

The following must never be offered or accepted:

- Monetary gifts
- Gifts or hospitality offered to family members, partners or close friends of members, Trustees or staff
- Gifts or hospitality from a potential supplier or tenderer in the immediate period before tenders are invited or during the tendering process
- Lavish or extravagant gifts or hospitality, even if they relate to activities the recipient undertakes in their own time

This list is not intended to be exhaustive.

21.2.5 Monitoring arrangements

Each academy should have a gifts and hospitality register that should be monitored regularly by the Headteacher and governing body (see Appendix 1).

21.3 INVESTMENT POLICY

Purpose and scope
To set out the processes by which the Trust can invest funds surplus to day-to-day operational requirements and to ensure that investment risk is properly and prudently managed.
In doing so, Trustees must:

- Act within their Charity's power to invest.
- Set investment objectives.
- Set the parameters that deposit counterparties need to meet.
- Consider the level of liquid cash required to be held either overnight or within current accounts.
- Approve the type of products that the Trust can invest in and seek external guidance if required.
- Define processes to manage and make investment decisions.
- Monitor and review investments on a regular basis.

Responsibility
The Trustees delegate the day-to-day responsibility of managing and implementing the investment policy to the CFO to ensure investments are managed in accordance with this policy and monitor regularly how the Trust's investments are performing.

Objectives
To identify a level of funds that can be placed on deposit to generate additional interest income for the Trust in order to support its on-going charitable objectives.
Any investment decisions must be supported by a cashflow forecast that reduces the risk of the Trust not having the liquidity required to carry out its day-to-day activities.

Counterparty risk

Following the Banking Crisis in 2007/2008, The Bank of England have (through the FSA and latterly, the FCA and PRA) implemented changes to banking regulation and capital requirements of UK FCA registered banks to ensure the stability of the UK Banking system. ***As such, the Trust can only make cash deposits with institutions with a UK banking licence regulated by the FCA.***

Counterparty Restrictions

The table below shows the levels the Trust can deposit with Institutions carrying a particular credit rating or implied credit rating at the time of deposit.

The Credit rating or Implied Credit Rating will be checked at the time of placing a deposit with a new institution. It is worth noting that Implied Credit Ratings are usually the 'long term' position, however, the Trust will only be depositing 'short term' in deposits with a maturity date or notice period of 12-months or less.

It is recognised that the Trust's main current account balance may exceed the deposit limits stated below. For the purpose of this investment policy, current account balances are excluded from the counterparty limits detailed below.

Ratings comparison supplied by Insignis Cash Solutions

Rating	Moody's		S&P		Fitch		
	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	
Investment grade: Highest (Triple A)	Aaa	P-1 (Prime-1)	AAA	A-1+	AAA	F1+	Limit = £20m per institution (plus interest accrued)
Investment grade: Very high	Aa1		AA+		AA+		
	Aa2		AA		AA		
	Aa3		AA-		AA-		
Investment grade: High	A1		A+	A-1	A+	F1/F1+	
	A2	P-2/P-1	A		A	F1	
	A3	P-2/P-1	A-	A-2	A-	F2/F1	
Investment grade: Good	Baa1	P-2 (Prime-2)	BBB+		BBB+	F2	Limit = £5m per institution (plus interest accrued)
	Baa2	P-3/P-2	BBB	A-3	BBB	F3/F2	
	Baa3	P-3 (Prime-3)	BBB-		BBB-	F3	
Speculative grade: Speculative	Ba1		BB+	B	BB+	B	Limit = £0
	Ba2		BB		BB		
	Ba3		BB-		BB-		
Speculative grade: Highly speculative	B1		B+		B+		
	B2		B		B		
	B3		B-		B-		
Speculative grade: Very high risk	Caa1	Not Prime	CCC+	C		C	Limit = £0
	Caa2		CCC		CCC		
	Caa3		CCC-				
Speculative grade: Very near to default	Ca		CC		CC		
			C		C		
			C		C		
In default	C		SD/D	D	RD/D	RD/D	

Assessing liquidity needs

The Trust should ensure that a sufficient balance be held across accounts with short term (Instant or easy access) so that the Trust's financial commitments can be met without the risk of the current account going overdrawn. It should also allow enough flexibility to deal with reasonable, one-off events should they occur. The Trust's cash flow forecasts will dictate how much is available for investment and for how long. The cashflow forecasts should be reviewed monthly as part of the management accounts cycle and on maturity of fixed term deposits. It is noted that notice and term deposits will not be accessible before the required notice period or maturity date for any reason.

Investment Products

The Trust can invest surplus funds in a mixture of interest-bearing accounts and money market facilities (where the capital is not placed at risk) including:
Overnight (instant access / easy access)
Notice accounts (typically from 30-days to 100+ days)
Fixed term deposits (typically from 1-month to 12-months)
Investment maturity dates should not exceed 12-months in term unless funds are held for a specific future project with no risk of requiring access in the meantime.
It is recognised that funds cannot be accessed before the relevant period of notice is given or, for fixed term deposits, at maturity.

Investment Decisions

The CFO is responsible for producing reliable cash flow forecasts as a basis for decision making. The CFO is responsible for making investment decisions that comply with this Policy. Deposit facilities in use by the Trust must be restricted to 'dual control' for the opening of a deposit, placing funds and withdrawing funds.

Monitoring & Reporting

The CFO will report investments held and the performance of investments against objectives to the Finance & Resources Committee for review *each time it meets or when requested to do so*. The reporting should include:

- Funds invested
- Maturity dates
- Interest rates
- Latest cash flows showing 12-month liquidity requirements
- Recommendations for the next *3 months*.

Review

Trustees should review the Investment policy to ensure it is still fit for purpose annually.

School Deposit Procedure

Before any funds are invested the school will complete the authorisation form which must be signed by the head teacher. An investment authorisation form can be found in appendix 1.

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/expected return

The Chief Financial Officer will review interest rates and compare them with other investment opportunities regularly. They will place the funds in an appropriate bank for the term. Upon maturity funds will be automatically reinvested unless money is required for immediate or anticipated expenditure. Interest received will be returned to the principal account less any fees charged.

Appendix 1: Gifts and Hospitality Register

Date	Name	Description of gift/hospitality and approximate value	Party offering gift/hospitality	Accepted/ rejected	Approved by

Appendix 2: Investment Authorisation Form

School	
Duration of investment	
Amount	
Head Teacher Name (print)	
Signature	
Date	

FOR CENTRAL TEAM USE ONLY

Details of where the investment is held			
Name of Bank			
Interest rate		Expected return	
Fee cost			
Description of investment			