



Financial Regulations 2017

The SEAX Financial Regulations are subject to the SEAX Scheme of Delegation and will be updated in line with any changes to that Scheme of Delegation.

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Throughout the Text of these regulations the term 'academy' will refer to all schools in SEAX Trust, regardless of denomination.

Financial Scheme of Delegation/Authorisation & Approval Summary

Note values in red may not be changed

Expenditure Limits/Ordering Procedures

If approval for a contract that spans more than one year, the limits below apply to the total value over the life of the contract not the per annum cost.

Process	Value	Delegated Authority
Order Approval	up to £10,000 (excluding utilities)	Principal/Headteacher – Deputy in the absence of the Principal/Headteacher
Order Approval	£10,001 to £20,000	Local Academy Committee
Order Approval	Over £20,000	Trust Board of Trustees
3 competitive quotations	£5,000 to £50,000	Evidence to be kept with original order and Best Value certificate signed by appropriate authoriser
Formal Tender Process required	Over £50,000	Trust Board of Trustees would usually oversee process in conjunction with a specialist
OJEU Tendering Procedure	Over £106,047 – Supplies/Services Over £4,104,394 – Works Rates as at Jan 2016	Figures taken from CCS Procurement Policy Note 18/15
Authority to accept other than lowest quote		Local Academy Committee
Authority to accept other than lowest tender		Trust Board of Trustees

Cheque/Standing Order/Direct Debit/BACS Signatories

Value	Delegated Authority	Additional Guidance
Up to £9,999	Any two from the mandate list	Ensure bank mandate is complied with.
Over £20,000	Any one plus Chair of Governors (Trustee in absence of Chair)	

Virement Approval –

Value	Delegated Authority	Additional Guidance
Virements are not used at SEAX Trust – with the exception of an actual carry-forward adjustment		One virement may be raised to bring in actual carry-forward from previous year

Acquisition/Disposal of Land and Buildings

Value	Delegated Authority	Additional Guidance
All Values	ESFA Approval	See ESFA website for relevant forms

Disposal of Surplus Stock, Stores & Assets

Value	Delegated Authority	Additional Guidance
Up to £250 Single Item	Principal/Headteacher	
£251 to £1,000 Single Item	Local Academy Committee	
£1,001 to £45,000 Single item	Board of Trustees	Subject to a maximum of £250,000 in any one year
Over £45,000	ESFA Approval	1% of total income or £45,000 per single transaction (whichever is the smaller)

Write off of Bad Debts/Guarantees, Letters of Comfort or Indemnities

Value	Delegated Authority	Additional Guidance
Up to £250 single transaction	Principal/Headteacher	Write-off forms to be completed
£251 to £1,000 single transaction	Local Academy Committee	Write-off forms to be completed and advised to LAC for approval
£1,001 to £44,999 Single transaction	Trust Board of Trustees	Write-off forms to be completed and advised to LAC and DIRECTOR OF BUSINESS for board approval
Over £44,999 single transaction	ESFA Approval	1% of total income or £45,000 per single transaction (whichever is the smaller)
Cumulative, over 5% of total income	ESFA Approval	Subject to annual limit of £250,000

Special Payments

Value	Delegated Authority	Payment Type
Up to £50,000 before income tax and other deductions	Trust Board	Staff Severance Pay or Compensation
Over £50,000	ESFA	Staff Severance Pay or Compensation
Any Value	ESFA	Ex-gratia payments

GAG Pooling/Carry Forward

Value	Delegated Authority	Further information
GAG pooling No limits	Trust Board	For eligible Trusts ESFA Regs 3.10.5 (not PFI funded academies)

GAG Carry forward – No limits	Trust Board	For eligible Trusts ESFA Regs 3.10.2 (if numbers admitted exceed estimated pupil numbers and GAG is not spent
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Approval of Returns & Reconciliations

Return	Delegated Authority	Additional Guidance
VAT 126 Return	Director of Business	One VAT return must be prepared centrally for the whole Trust
Bank Reconciliations	Executive Principal/CEO	To be prepared at least monthly
Funding Reconciliation	Schools to prepare, DIRECTOR OF BUSINESS to review and report	To be prepared at least monthly
Budget Forecast Return	Director of Business to prepare, Accounting Officer to approve	
Risk Register	Schools to prepare and review. Trust Board of Trustees to monitor and review	Individual schools to monitor at each LAC 'Business' meeting and report to Board Resources, Audit and Premises Committee
Register of Business Interests	Local Academy Committee/Trust Trustees	To be completed annually and updated at each meeting
Gifts and Hospitality Register	Local Academy Committee/Trust Trustees	To be discussed at each meeting. Nil return required at each year end
Business Continuity Plan	Local Academy Committee	
Financial Management and Governance Self Evaluation	Trust Board of Trustees to review	Only required to be completed by new academies joining the Trust

Other Monetary Limits

	Limit	Additional Guidance
Mileage Allowance	HM Revenue and Customs approved rate	
Petty Cash Imprest	£400	
Safe Cash/Cheque Limits	£10,000 Cash £250,000 cheques and other certificates, bonds, stamps as detailed in RPA rules £5,000 monetary not in a locked safe eg in transit £500 at an authorised employee's/Trustees home	As per academy insurance policy Risk Protection Arrangement September 2016
Inventory Register	Furniture, ICT items (including mobile phones), single items over £250, portable and attractive items over £25	
Asset Register	Capitalisation limit £ 1,000 on any single item	As stated in Capitalisation/Depreciation Policy

The finance policies listed below should be read in conjunction with these regulations;

- Gifts and Hospitality Policy
- Fraud and Irregularity Policy
- Risk Management Policy
- Capitalisation and Depreciation Policy
- Staff Expenses Policy (to be drafted)
- Debt Management Policy (to be drafted)

1.0 INTRODUCTION

- 1.1 The SEAX Trust Board of Trustees (The Board) is the legal entity which is responsible for all the Trusts academies. It is their duty to ensure that each academy operates efficiently, legally, judiciously and safely.
- 1.2 The purpose of these regulations is to ensure that the 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 The Trust's funding agreement with the Department for Education (DfE).
- 1.3 The Trust must comply with the principles of financial control outlined in the academies financial handbook published by the DfE. These regulations expand on that and provide detailed information on the academy's accounting procedures and systems and should be read by all staff involved with financial systems.
- 1.4 The general conditions that follow are subject to annual review and consideration by the Trust Board of Trustees, whom must formally minute both the review and any subsequent amendments and approval each year.
- 1.5 The Trust Board of Trustees confirms that failure to observe these conditions is considered a serious matter and might involve disciplinary procedures being taken against the individual concerned.

2.0 ORGANISATION

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

The Trust Board of Trustees (The Board)

- 2.2 The Board has overall responsibility for the administration of the academy's finances. The main responsibilities of The Board are prescribed in the Funding Agreement between the Trust and the DfE and in the academy's scheme of government. The responsibilities of The Board are as outlined in the scheme of delegation and also in the Academies Financial Handbook

The Resources and Audit Committee

- 2.3 The Resources and Audit Committee is a committee of The Board. The committee meets at least once per term but more frequent meetings can be arranged if necessary. The main responsibilities of the Resources and Audit Committee are detailed in the written terms of reference which have been authorised by the board.

Accounting Officer

- 2.4 The Trust has designated the SEAX Trust Executive Principal/CEO) as its Accounting Officer. Whilst the Accounting Officer has responsibility, under the board's guidance, for the Trust's overall management and staffing, their appointment as Accounting Officer confers specific responsibilities for financial matters. In particular the Accounting Officer is personally

responsible to Parliament, and to the Accounting Officer of the ESFA, for the resources under their control, and must be able to assure Parliament and the public of high standards of probity in the management of public funds.

2.5 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 these regulations, 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 Trust but for taxpayers more generally.

The Accounting Officer also has responsibilities for keeping proper financial records and accounts, and for the management of opportunities and risks.

2.6 Whilst the Accounting Officer is accountable for the Trust’s financial affairs, the delivery of the Trust’s detailed accounting processes will be delegated to the Chief Finance Officer (Director of Business).

2.7 The Accounting Officer must advise The Board in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the Handbook or Funding Agreement (FA). Similarly, the Accounting Officer must advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the Handbook or FA. Where The Board is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons the board gives for its decision. If, after considering the reasons given by the board, the Accounting Officer still considers that the action proposed by the board is in breach of the Handbook or FA, the accounting officer must advise the ESFA’s accounting officer of the position in writing

Director of Business

2.8 The Director of Business works in close collaboration with the Accounting Officer through whom he or she is responsible. The Director of Business also has direct access to the Trustees via the Resources and Audit Committee. The main responsibilities of the Director of Business are as outlined in the post holder job description

Local Academy Committee

2.9 Each academy will have a LAC who will work in close collaboration with the Trust’s central staff. The LAC’s responsibilities are as set out in the scheme of delegation and include the following:

- Review the annual budget before sending for approval to The Board
- Determining the school’s financial priorities through the School Improvement Plan (SIP) and the Asset Management Plan (AMP).

- Receiving monthly management reports, to facilitate the monitoring of the school's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary.
- Making decisions on expenditure within the LAC delegated powers
- Ensuring the local Register of Business Interests is kept up to date.
- Annually reviewing all on-going contracts
- Monitoring all spending and income received in the academy
- Ensuring that funding from the ESFA, Local Authority and other sources is used only in accordance with any conditions attached.
- Receiving and commenting on the content of any audit report and monitoring the implementation of the agreed action plan.
- Agreeing and determining appropriate charges for lettings of the premises, in line with the academy's lettings policy.
- Ensuring the academy adheres to the policies and procedures as specified by The Board
- Ensuring the academy has appropriate internal financial controls in place
- Reviewing and monitoring of budget projections / medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable.
- Declaring any connected party transactions or business interests
- Regularly updating and monitoring the Trust's risk register and ensuring the implementation of any mitigating actions.

2.10 The LAC confirms that the day-to-day financial management of the school is delegated to the Headteacher/Principal, subject to exceptions contained in these regulations. Throughout these conditions, delegation to the Headteacher/Principal shall imply further delegation to the Deputy Headteacher/Vice Principal when the Headteacher/Principal is not on the school site. Where the Headteacher/Principal wishes to permanently delegate certain financial matters or activities, then the level of that delegation shall be notified in writing to the individual(s) concerned, reported to the LAC in writing and incorporated into these conditions.

Finance Officer

2.11 For the purposes of this document the term Finance Officer (FO) refers to the person responsible for the day to day management of each individual academy's financial operations. Each academy should employ a suitably experienced FO to support the Headteacher/Principal, LAC and Trust Board to manage and protect resources appropriately or alternatively make use of the support services provided by the Trust.

2.12 The FO will work with the Headteacher/Principal and Senior Leadership Team to ensure the academy's financial processes and finance policies are followed. They will be responsible for the effective use of resources within their organisation and will notify the Headteacher/Principal and SEAX DIRECTOR OF BUSINESS of any issues. The FO will provide monthly management reports to the Headteacher/Principal and to the SEAX Trust DIRECTOR OF BUSINESS.

General Requirement

- 2.13 All employees of the academy are expected to act professionally and with integrity and follow the internal control framework and financial policies of the academy. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.

Register of Interests

- 2.14 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 academy governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the academy may purchase goods or services. The register is open to public inspection.

The register should include all business interests such as Trusteeships or share holdings. 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 governor or a member of staff by that person. Details of Trusteeships can be found on Companies House website

<https://beta.companieshouse.gov.uk>

The existence of a register of business interests does not, of course, detract from the duties of 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, governors and staff should withdraw from that part of any committee or other meeting.

All Governors and school staff must be given the opportunity to verbally declare previously undeclared interests, and any previously declared interests that may be relevant to the agenda, at every committee and Governing Body meeting.

In accordance with the academies financial handbook the business interests of the Trust's Trustees will be published on the academy's website

Trading with Connected Parties

- 2.15 In accordance with the academies financial handbook the following will apply to goods or services provided by individuals or organisations connected to the Trust:

The Trust must pay no more than 'cost' for goods or services provided by a connected party as defined by the academies financial handbook.

The academy must ensure that any agreement with a connected party is procured through an open and fair process and is supported by a statement of assurance from the individual or organisation to the Trust confirming that their charges do not exceed the cost of goods or services.

The 'at cost' requirement applies to any transactions entered into after 7th November 2013 and for goods or services exceeding £2,500 cumulatively in a financial year

Novel, Contentious and Repercussive Transactions

- 2.16 Trusts must seek ESFA's prior approval for transactions with connected parties that are novel, contentious and/or repercussive. (See ESFA Financial Regulations)

3.0 DAY-TO-DAY DELEGATION OF AUTHORITY

Expenditure Limits

- 3.1 The Headteacher/Principal can authorise expenditure up to £10,000 (excluding utilities) on goods and services. Avoidance of obtaining higher authority by raising a sequence of smaller orders in place of one large order is not permitted.

The Headteacher/Principal may also authorise higher levels of expenditure for utility charges provided the value authorised has been clearly documented and approved by The Board in the school budget.

If the value to be authorised exceeds the Headteacher/Principal's limit for goods and services, or the value set aside for utilities in the school budget, then a higher level of approval is required, as specified below.

Authorisation for expenditure that is between the values of £10,001 and £20,000 must be referred to the LAC. The Chair of the LAC has authority to approve all such expenditure on behalf of the LAC.

Authorisation for expenditure above £20,000 must be referred to The Board.

Funding Reconciliation

- 3.2 The Director of Business is responsible for reconciling the Trust's funding budget entered on the school's financial accounting system with the monthly funding information provided by the ESFA and other government agencies. This reconciliation should be completed on a monthly basis and reviewed by the Accounting Officer.

Bad Debts

- 3.3 The write-off of debts owed to the school (subject to a maximum of £250,000 cross-trust) can be approved as follows;

Up to £250 – Principal/Headteacher/

£251 to £1,000 – Local Academy Committee

£1,001 to £44,999 – Board of Trustees

ESFA Approval needed for write-offs over 1% of total funding or £45,000 per single transaction (whichever is the smaller)

A sequence of smaller write offs, all within the above limits, to cover a larger write off is not permitted.

Cumulative transactions (cross-trust) – transactions over 5% of total annual income in any one financial year must be approved by ESFA

All write-offs must be formally recorded in the minutes of the meeting at which they were reported and discussed.

Disposal of Assets or Adjustments to School Inventory

- 3.4 The Headteacher/Principal can authorise the disposal / adjustment of recorded school inventory items up to the value of £250 per single item. Authority for disposals / adjustments above this amount but below (per single item) £1,000 must be approved by the LAC. Disposals/adjustments above £1,001 (per single item) must be referred to The Board. Any disposals over £45,000 must be approved by the ESFA

All disposals / adjustments must be formally recorded in the minutes of the meeting at which they were reported and discussed.

Guarantees, Letters of Comfort or Indemnities

3.5 The Headteacher/Principal can authorise the guarantees, letters of comfort or indemnities of £250 per single item. Authority for transactions above this amount but below (per single item) £1,000 must be approved by the LAC. Transactions above £1,001 (per single item) must be referred to The Board. Any transactions over £45,000 must be approved by the ESFA

Cumulative transactions (cross-trust) – transactions over 5% of total annual income in any one financial year must be approved by ESFA

Delegated authority detailed above is subject to a maximum of £250,000 before ESFA approval is sought.

All transactions must be formally recorded in the minutes of the meeting at which they were reported and discussed.

Mileage Allowances and Subsistence Claims

3.6 The Trust will reimburse mileage expenses to individuals for business journeys at a rate in accordance with the limitations set out by HM Revenue & Customs. The claimant is entitled to be notified of this rate in advance of commencing their journey. The claimant must have suitable insurance in place to cover both the vehicle and passengers. A VAT registered fuel receipt must accompany every mileage claim, indicating that duty has been paid on sufficient fuel for the distance covered in order for the school to be able to reclaim VAT.

- All expense claims are to be authorised by the Headteacher/Principal
- The LAC must authorise all claims relating to the Headteacher/Principal.
- The Trust Board must authorise all claims relating to the Executive Principal
- All expense claims are to be supported by VAT receipts (or other appropriate evidence of expenditure) which must be attached to the claim. Claims for subsistence can only be claimed to the maximum stated below.
- Rates of subsistence will be paid at the rate and within the conditions that adhere to the Trusts policy on travel and subsistence allowances.

Breakfast	£5.00
Lunch	£7.50
Evening Meal	£15.00

- Claims for the purchase of alcohol will not be reimbursed.
- The academy may not reclaim VAT without a proper VAT receipt.

Receiving of Goods / Acknowledgement of Service

3.7 The person accepting the goods will be responsible for signing the delivery note to confirm the correct goods have been received.

Staff Appointments/Terminations

3.8 The Trust Board of Trustees has delegated responsibility to its Local Governing Bodies to approve a personnel establishment for the Trust.

3.9 The approval required for the appointment of staff or changes to contract is as follows:

Headteacher/Principal Appointment	The Trust Board
All other staff	Headteacher/Principal subject to the agreed establishment and budget constraints and in accordance with the Trusts recruitment and appointment policy.
CEO, Director of Business and other central staff	The Trust Board

3.8 All relevant forms and paperwork with regard to the appointment of, or amendment to contracts of staff should be sourced from the Trusts Human Resources service provider. All personnel pre-employment checks should be completed and relevant clearances obtained for all staff before they start their employment.

3.9 The Board has authority to approve individual staff severance payments and compensation payments as per section 3.7 of the academies financial handbook 2017, providing the non statutory/ non contractual element is under £50,000 (before deductions). Above £50,000 prior approval must be sought for the non-contractual element from the ESFA. ESFA prior approval must be sought for all Ex Gratia payments per section 3.7.15

Payment of Additional Hours

3.10 With regard to staff overtime etc, the Headteacher/Principal is authorised to incur expenditure up to the level agreed within the annual budget. Beyond this limit, authorisation can only be made by the LAC. No overtime should be undertaken without the prior approval of the Headteacher/Principal.

Monitoring Salary Payments

3.11 It is the responsibility of the DIRECTOR OF BUSINESS to ensure that systems are in place to record all staff contract details and that they are regularly updated to take account of new appointments, amendments and terminations of employment. This will ensure that all information on the school's financial accounting system is correct and will avoid distortion of financial information.

Any payroll transactions relating to the Headteacher/Principal will be authorised by the LAC Chair

Supply Staff

3.12

- a) All supply staff will be appointed by the Headteacher/Principal or as otherwise directed by the Headteacher/Principal. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the school finance system. It is the responsibility of the FO to ensure this is done.
- b) It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager (or Headteacher/Principal) will then authorise the claim and forward it to the FO. If a dispute arises over hours claimed, the Headteacher/Principal will be informed immediately.

Contract Approval

- 3.13 Any contractual commitment with a term of longer than 12 months, including lease agreements, will require the approval of The Board.

By law an operating lease is the only type of lease available to schools. These leases involve the school paying a rental for the hire of an asset for a period of time and have the character of a rental agreement. No other lease, such as finance leases or hire purchase, may be entered into by the school as this is a form of borrowing.

Insurance

- 3.14 Insurance cover for the academy will be arranged at Trust Board level. Insurance will cover will include:

Public Liability

Buildings and Contents

Terrorism

Business Interruption

Employer Liability

Hirers Liability

Governors Liability

School Journey – **journeys abroad delegated to schools**

Personal Accident

Motor – **delegated to schools**

Engineering – **delegated to schools**

If maternity or sick pay insurance is required this will be arranged at local academy level. Business continuity plans should be established in each academy by the Headteacher/Principal and DIRECTOR OF BUSINESS and reviewed annually.

4.0 FINANCIAL PLANNING AND REVIEW

Budget Planning / Setting

- 4.1 The school's overall budget plans (both one year annual and multiyear forward financial plans) will be prepared by the Headteacher/Principal, local Business Manager and DIRECTOR OF BUSINESS in consultation with the LAC. The budget will be prepared having regard to all known needs of the school including the School Improvement / Development Plan and the Asset Management Plan. It is the responsibility of the DIRECTOR OF BUSINESS to ensure that all the required budgeting paperwork is submitted to The Board in accordance with the published timetable.
- 4.2 Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements and calculations of all costs, cross referenced to the assumptions made.
- 4.3 The Director of Business and Finance Officers will be responsible for ensuring that the school has budget business plans in place for all trading activities e.g. catering, uniform sales, lettings etc. The business plan should clearly show the anticipated operating surplus or deficit. If a subsidy is required from the Delegated Fund to cover a budgeted deficit, then this must be

formally approved by the LAC and recorded in the minutes of the meeting at which it was discussed and agreed. All budgeted business plans should be clearly linked to the School Development/Improvement Plan.

- 4.4 The school budget will be submitted to The Board for final approval.
- 4.5 The approved budget should be promptly loaded onto the school's financial accounting system.
- 4.6 A copy of the signed budget plan is to be placed in the local minute file, the Board minute file and a further copy retained by the Headteacher/Principal. A copy of the financial system's budget should also be signed by LAC or Director of Business and should match the signed budget plan.

Budget Monitoring

- 4.7 The FO will be responsible for monitoring actual income and expenditure against budget for each line item and producing and circulating appropriate reports to the LAC and Trust on a monthly basis. Urgent budget issues will be reported to the LAC immediately.
- 4.8 In accordance with the Academies Financial Handbook, FO will circulate monthly management accounts, including income and expenditure reports on an accruals basis, cash flow forecasts and balance sheets to the LAC and Trust Board, together with a written explanation of significant variances against budget, and with a projection of income and expenditure to the year-end. The limit for expenditure accruals will be £1,000 per invoice that crosses more than one period.

Financial Returns

- 4.9 The DIRECTOR OF BUSINESS will be responsible for preparing all the financial returns required by the Education and Skills Funding Agency. All returns will be completed in the required timescales.
- 4.10 In order to give a true and fair view the financial statements for the annual accounts must be prepared according to the requirements of the Companies Act 2006 and Regulations made under the Act, and applicable United Kingdom accounting standards. Trusts must also prepare their accounts in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by the The Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website at:

http://www.charitycommission.gov.uk/Charity_requirements_guidance/Accounting_and_reporting/Preparing_charity_accounts/
- 4.11 The Trust Board is responsible for approving the academy's annual accounts and annual report and ensuring the annual accounts are audited and submitted to the Education Funding Agency by the required deadlines. Details of the all financial information required are as set out in the latest Accounts Direction for the year being reported.
- 4.12 In addition to submitting accounts to the Education Funding Agency, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.

- 4.13 The Companies Act 2006 requires the Academy to publish its Annual Accounts and Annual Report. This will be done via the Trust's website.

5.0 INTERNAL CONTROL

The objectives of Internal Control are to give the Trust confidence that as far as is reasonably possible:

- a) the academy's accounting records are accurate and complete
 - b) the financial procedures in operation minimise the risks of misappropriation of funds and assets
 - c) the Trust achieves best value.
- 5.1 The DIRECTOR OF BUSINESS is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. All discrepancies are to be investigated immediately and reported to the appropriate Headteacher/Principal and, if necessary, the bank.
- 5.2 The Finance Officer is responsible for ensuring that VAT transactions are recorded accurately for each academy. The DIRECTOR OF BUSINESS is responsible for preparation and submission of the central Trust VAT return, and to reconcile the VAT control accounts.
- 5.3 The Trust is responsible for ensuring that internal control audits take place to provide assurance that the internal controls are robust. To support them in fulfilling this role The Board will commission an external provider to carry out an annual audit of the controls. The DIRECTOR OF BUSINESS will ensure that an action plan is drawn up to address any weaknesses identified and will review this on a regular basis. All internal audit reports will be reviewed by the LAC and the Board.
- 5.4 It is a legal requirement for the Trust to prepare audited, consolidated accounts. The Board will appoint the statutory auditors to audit the accounts and confirm that they are "true and fair". The Headteacher/Principal and DIRECTOR OF BUSINESS will be required to ensure that up to date and accurate accounts are available and that year end processes are followed. The DIRECTOR OF BUSINESS, School FO and Headteacher/Principal will need to be available to support the statutory auditors in conducting their work.

Separation of duties

- 5.5 It is the responsibility of the Headteacher/Principal to ensure that key financial duties are properly separated between individuals. Functions to be separated between staff will include:
- a) Execution – the placing of an order and receipt of goods and services, and the charging and receipt of a fee.
 - b) Authorisation – the authorisation of a transaction such as a purchase order and the payment.
 - c) Payment – the raising of cheques / BACS and cheque / BACS signatories.
 - d) Custody – the holding of goods and services.
 - e) Recording – the completion of the accounting records
 - f) Post transaction management checking– reviewing previous transactions to identify errors or intentional manipulation

Accounting Arrangements

- 5.6 The financial transactions of the academy must be recorded in accordance with Trusts approved accounting policies and recorded on the PS Financials accounting system. All transactions input into the accounting system must be authorised in accordance with the procedures specified in this manual.
- 5.7 Entry to the accounting system is password restricted. Passwords should be changed termly
- 5.8 Access to the component parts of the accounting system can be restricted and the DIRECTOR OF BUSINESS is responsible for determining access levels for all members of staff using the system.
- 5.9 The Trust will have a standard chart of accounts which will be used by the individual academies. Requests to set up new ledger codes need to be made to the DIRECTOR OF BUSINESS. The FO can maintain their own cost centres to suit their own individual internal budget monitoring requirements.
- 5.10 The DIRECTOR OF BUSINESS is responsible for ensuring there is an effective back up procedure for the accounting system.
- 5.11 The FO is responsible for ensuring the following reconciliations are carried out on a monthly basis and account balances reviewed.
- Debtor control accounts
 - Creditor control accounts
 - Payroll control accounts
 - Sundry creditors/accruals – over £1,000 and covering more than one month
 - Sundry debtors/prepayment – over £1,000 and covering more than one month
 - Suspense accounts
 - Intra-company accounts
 - Fixed asset accounts
 - Any other balance sheet accounts as appropriate

Any unusual or long standing reconciling items should be brought to the attention of the Chief Finance Officer.

The Director of Business is responsible for ensuring the following reconciliations are carried out on a monthly basis and account balances reviewed.

- Bank account
- VAT account
- Intra-company accounts

6.0 ASSETS AND INVENTORY

- 6.1 The Leadership Team should ensure that all items which have a useful life and value lasting more than one year and which is above the de minimis level set in the Trusts accounting policies (currently £1,000) are recorded on a fixed asset register and capitalised in the accounting system. Fixed Asset Registers should be kept for tangible assets (eg ICT) and intangible assets (eg software licences over one year in length) should include the following information (where relevant):

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding
- expected useful economic life
- depreciation
- current book value
- location
- supplier
- warranty information

Condition of the items should be reviewed annually and adjustments made to the register if required.

Inventory

6.2 The academy will keep an inventory to

- Ensure proper physical control of school equipment.
- Provide a basis for insurance cover and claims if equipment is damaged or destroyed.
- Provide an up-to-date record of the equipment available for teaching purposes.
- Help the school plan its equipment replacement programme.

All portable items of equipment will be security marked with the name and postcode of the school. If the school chooses to use an invisible form of marking then the item of equipment must carry a visible reference to the fact that the equipment has been security marked. Items not security marked are potentially not covered by insurance.

The following categories of inventory will be entered in the inventory register at the time of acquisition by the school:-

- All items valued at £250 or more at the time of acquisition or purchase, either individually or as a set.
- Items below the value noted in (i) above but which are considered attractive and portable (over the value of £25).
- Items considered by the Headteacher/Principal as being worthy of inclusion (furniture, all ICT assets including mobile phones)
- Items hired to or leased by the school, that match any of the above criteria will be included, but identified accordingly.

The inventory register will record the following information;

- Item description.
- Serial number or asset reference number.
- Date acquired.
- Acquisition cost.
- Asset location.
- If item has been security marked.

- Date of last physical check.

The FO is responsible for maintaining the inventory register.

All inventory items recorded in the register will be checked annually by the Leadership Team and certified as correct. Any adjustments arising from the physical check must be authorised as laid down in 3.4 above. Evidence of the annual check taking place will be by date and signature of the person responsible for the check on the inventory sheets used for the check. These sheets will be retained on file for at least 24 months to provide an audit trail for changes made to the register as a result of the check.

All authorised disposal of school inventory must be recorded, showing the method of disposal and the authority for such action (see Section 3.4).

A separate 'Off Site Register' shall be kept for all items loaned to members of staff and pupils. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check.

7.0 BANKING ARRANGEMENTS

- 7.1 All decisions with regard to choice of banking service provider and subsequent banking arrangements will be made by The Board.
- 7.2 The LAC must ensure that the school budgets never become overdrawn. Any concerns regarding cash flow should be reported to the DIRECTOR OF BUSINESS.
- 7.3 The DIRECTOR OF BUSINESS is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. Any un-reconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken.
- 7.4 Trustees and Governors will wish to maximise income as far as possible and, where appropriate, other accounts will be maintained, in addition to the normal current account. At all times decisions should meet compliance with the Trusts Investment Management Policy.
- 7.5 Direct Debit or Standing Order payment arrangements must be authorised by two of the following authorised signatories (**one of which must be in category A**), and retained on file for reference.

Category A signatories

SEAX Trust Chair of the Board – Ann-Marie Briggs

SEAX Trust Vice Chair of the Board - David Cottrell

Accounting Officer - Sally Davies

Trustee - Steven Hile

LAC Chairs

Category B signatories

Academy Headteachers/Principals

Academy Deputy Heads/other nominated staff

Director of Business

A current bank mandate must be retained on file and the mandated signatories should be consistent with those detailed above. The SEAX DIRECTOR OF BUSINESS must be provided with a list of Direct Debit suppliers and a payment timetable. This should be updated regularly

- 7.6 Schools may use electronic payment facilities to replace cheques. The principles and authorisation remain the same as for cheque payments.
- 7.7 When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each cheque will be listed separately. This may be by means of a Cash Analysis Sheet – clearly identifying the bank paying slip number.

8.0 PURCHASING AND PAYMENT PROCEDURES

- 8.1 Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.

This will be done by the completion of an Internal Order Form, which will be sent to the Finance Officer.

- 8.2 On receipt of an order form a check will be carried out to determine that the appropriate budget has sufficient funds to meet the order. Where sufficient budgeted funds are identified the Finance Officer will raise an official Purchase Order to send to the supplier/contractor. Reference will be made as appropriate to the procurement standards laid down by the Trust.
- 8.3 The Trust maintains a single Purchase Ledger, with a single Order Book. All orders are authorised online via PSF software.
- 8.4 Orders are to be authorised in accordance with the 'Authorisation Limits' set out in the front of these Regulations and section 3.1 of these Regulations.
- 8.5 If an order is placed verbally due to urgency an order form should be used to ensure that a commitment is promptly raised on the financial accounting system. It is not acceptable to wait until the invoice/ delivery note is received before entering a commitment onto the financial accounting system.
- 8.6 Goods Received Notes and Invoices received will be checked against the original order for accuracy (and delivery notes where appropriate) and entered promptly on the school's financial system.
- 8.7 All documentation should be scanned into PS Financials and attached to the relevant journal
- 8.8 The cheque signatories are any two from the following, one of which must be the Chair of **Local Academy Committee for cheques over the value of £20,000:-**

SEAX Trust Chair of the Board – Ann-Marie Briggs

SEAX Trust Vice Chair of the Board - David Cottrell

Accounting Officer - Sally Davies

Trustee - Steven Hile

LAC Chairs

Academy Headteachers/Principals

Academy Deputy Heads/other nominated staff

Director of Business

- 8.9 The FO is designated to control cheques / BACS and must ensure that:
- a) A current bank mandate is kept on file and that the mandated signatories are consistent with those noted in 7.5 above. (The file will be held at SEAX Trust HQ)
 - b) Cheque / BACS run / remittance reports are kept on file and are signed by at least one cheque signatory confirming an unbroken sequence of cheque numbers.
 - c) Spoiled cheques are cancelled on the financial system, defaced and retained on file to confirm that all cheques have been accounted for.
 - d) All blank cheques are securely stored and properly accounted for.
 - e) Blank cheques are not pre-signed
 - f) Where continuous cheque stationery is used, the approved format is complied with, in accordance with Trust guidance
 - g) All raised cheques / BACS are entered correctly on the financial accounting system.
 - h) Minimum remaining cheque levels are established with the bank.
- 8.10 The Headteacher/Principal must ensure that all prime financial records are retained for six financial years plus the current year and are stored in a secure and logical manner. This may be through scanning into the PSF software, and attachment to the relevant financial document.
- 8.11 Cheques / BACS payments will be issued in accordance with the trading terms of the individual contractor or supplier since due regard must be taken of the 'Late Payment of Commercial Debts Regulations 2002'.
- 8.12 If discounts are available for prompt payment, then payments can be made immediately, having taken into account any loss of interest that might arise.
- 8.13 A copy of the computer-generated remittance advice relating to the cheque / BACS payment will be kept in sequential numbers in a bacs/cheque file. PS Financials will assign a unique number to each individual bacs submission.
- 8.14 Original invoices must be marked as paid to ensure duplicate payments are not made, together with the relevant cheque/bacs number.
- 8.15 Copy invoices are not to be paid unless verified that payment has not previously been made. References back to the original order are to be made in every case. Once the checks have been made, the invoice should be signed to confirm this and endorsed "copy invoice not previously passed for payment".
- 8.16 Under no circumstances are payments to be paid against statements.
- 8.17 Where appropriate, adequate checks are to be made that the contractors employed for buildings work have Public Liability Insurance Cover, minimum value £5,000,000. It is the responsibility of the Headteacher/Principal to ensure that this is complied with.
- 8.18 For any order or purchase which is estimated to be less than £5,000 in value, for the supply of goods, materials or services, the budget holder must ensure value for money is obtained.
- Orders and purchases between £5,001 and £50,000, will be subject to the receipt of at least 3 competitive quotations, documentary evidence of the various quotations must be obtained and attached to the purchase order and appropriately authorised. Where a quotation other than the lowest is accepted authorisation from the Local Academy Committee is required.

In accordance with agreed procurement standards, approval of contracts over £50,000 will only be made after following the tendering procedure. The Board will oversee all tendering processes on behalf of the Trust.

8.19 All documentation should be scanned into PS Financials and attached to the relevant journal

Internet Purchases

8.20 At all times, the same rigour of internal control must be placed on internet purchases as is normally applied to standard procurement with regard to separation of duties, authorisation controls and independent management checking.

8.21 The Finance Officer will be authorised to place online purchases. The internet order must be raised in the name of the school with the school's address, not to an individual.

8.22 Requests should be made to the Finance Officer from the budget holder in the normal manner (section 8.4). Internet purchases paid via school charge cards are recorded on the credit card ledger and should not have an official order raised on the finance system. Internet orders for invoice payment should have an official order raised on the finance system.

8.23 It is the responsibility of the FO to ensure the internet is the most appropriate means for procurement.

8.24 The preferred method of payment for internet purchases will be the request of an invoice from the supplier, which can be paid via the school's normal payment route.

8.25 Payment by an individual's personal credit card should only be considered in exceptional circumstances. The correct authorisation procedure for purchases should still be adhered to (section 8.4), and the school retains the right to refuse to reimburse the individual if the school's procedures are not followed.

8.26 Reimbursement to individuals should be made in the normal manner upon production of an original invoice / receipt.

8.27 Supplier invoices, delivery notes and all relevant documentation should be obtained for all internet purchases and retained within the normal filing system (section 8.4). This is especially important if the school is to recover any VAT element.

8.28 All purchases should only be made from secure websites that the AFL has gained reassurance are safe and free from fraudulent activity. The use of online auction websites is not recommended.

8.29 All documentation should be scanned into PS Financials and attached to the relevant journal.

Purchase Cards

8.30 Purchase cards may be issued by the Trust to key staff members to purchase items for the academy instead of using petty cash.

- Cards are issued in the Trust's name
- Cards are issued by Trust staff
- Cards are kept in the school/college safes when not in use
- Card purchases are subject to the schools purchase/expenditure limits/procedures as detailed above
- Personal use is not permitted
- Prime documents will be retained for 6 years + current. This may be within PS Financials software
- Internet purchase limits are detailed above

- Monthly statements are authorised by the Chair of Governors/Lead Finance Governor
- Misuse of purchase card by individuals must be reported to the Principal/Chair of Governors, and to the Trust Board
- All balances are cleared on a monthly basis by means of a Direct Debit

TENDERING PROCEDURES

Introduction to Tendering

- 8.31 Approval of contracts over £50,000 will only be made following the academy's tendering procedure. If the academy undertakes a high-value or EU-Qualifying purchase an Invitation to Tender will need to be issued as part of the process. An Invitation to Tender (ITT) is a pack of documents sent out to potential suppliers inviting them to submit a bid.
- 8.32 For more specialist or complex works and purchases, the academy may choose to appoint a professional third party to carry out the tender process on their behalf (i.e. consultant, architect etc.). If a third party is used, it is expected to apply these regulations with the same rigour and ensure that the principles of the Office of Government Commerce (OGC) Procurement Policy and Standards Framework are adhered to.

Forms of Tenders

- 8.33 There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

Open Tender: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Business Manager how best to advertise for suppliers (e.g. general press, trade journals) or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- the above methods have resulted in either no or unacceptable tenders,
- only one or very few suppliers are available,
- extreme urgency exists,
- additional deliveries by the existing supplier are justified.

Preparation for Tender

- 8.34 Full consideration should be given to the objective of project, overall requirements, technical skills required, after sales service requirements and form of contract. It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

- 8.35 If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender
- form of response.

8.36 Aspects to Consider

Financial

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Pre sales demonstrations
- After sales service, warranties
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

Tender Instructions

- 8.37 The invitation to tender should state the date and time by which the completed tender document should be received by the academy. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

Tender Opening Procedures

- 8.38 All tenders submitted should be opened at the same time and the tender details recorded. A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

At least two people should be present for the opening of tenders as follows:

Principal/Headteacher
Executive Headteacher
Lead Finance Governor
Chair of Governors
Director of Business

Tendering Evaluation and Acceptance

- 8.39 The Board has set a minimum requirement of 3 tenders for fair evaluation purposes and in the interest of achieving best value. In any consideration of less than that number being received, The Board should consider whether this is sufficient and consider re tendering. Decisions to go ahead should fully document the justification.
- 8.40 The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.
- 8.41 Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.
- 8.42 Full records should be kept of all criteria used for evaluation and a report should be prepared for the Trust Board highlighting the relevant issues and recommending a decision.
- 8.43 Where required by the conditions attached to a specific grant from the DfE / ESFA, their approval must be obtained before the acceptance of a tender.
- 8.44 The accepted tender should normally be the one that is economically most advantageous in terms of best value to the academy that meets all the requirements. All parties should then be informed of the decision. Where a tender other than the lowest has been accepted, the reasons for its acceptance must be documented and reported to the Trust Board. All decisions made must be justified and recorded as such in the minutes of that meeting for future reference.
- 8.45 A copy of the tender documentation should be held on site for easy reference as required.
- 8.46 Acceptance of any tender will be confirmed to the contractor in writing and no work shall be started until this has been done.

- 8.47 Any contracts awarded will include a paragraph to the effect that any contractor will be prohibited from transferring or assigning, directly or indirectly, any portion of the contract to any other person or contractor, without the written permission of the Trust Board.

9.0 PETTY CASH

- 9.1 Minor items of expenditure can be paid for or reimbursed to staff through the school's own petty cash system. The amount to be held (imprest) for petty cash disbursements should be agreed by the LAC but must not exceed **£400**.
- 9.2 Expenditure paid through petty cash should not exceed £25 on any one item, and not exceed £40 in any one week to one individual. Requests for amounts above this limit can only be authorised by the Headteacher/Principal.
- 9.3 All purchases made through petty cash, regardless of size, should be pre-authorised by the Headteacher/Principal. Purchases made by the Headteacher/Principal must be pre-authorised by the Chair of Governors/Chair of Trust Board.
- 9.4 All payments made must be supported by a VAT receipt for the goods purchased, along with an appropriate voucher signed by the member of staff receiving the cash.
- In order for the VAT to be recovered the VAT receipt needs to be scanned and attached to the journal entry to support in the completion of the central VAT return. In the absence of a scanned VAT receipt the expenditure needs to be coded as out of scope for VAT purposes.
- 9.5 All petty cash will be kept in a locked box in the safe and the Finance Officer will be responsible for its security.
- 9.6 The amount of petty cash held in the school must be kept to a minimum and should never exceed **£400** at any one time. The maximum amount of cash held in the school at any time must never exceed the insured limit for the safe as set by the school's insurance cover.
- 9.7 The Finance Officer will be responsible for the prompt entry of transactions onto the accounting system. The Finance Officer will be responsible for the monthly reconciliation of the petty cash. Expenditure plus cash in hand should equal the imprest.
- 9.8 All documentation should be scanned into PS Financials and attached to the relevant journal

10.0 PAYROLL AND PERSONNEL PROCEDURES

- 10.1 All staff appointments, amendments to an employee's terms of employment and terminations of employment are to be made in accordance with the arrangements laid down in Section 3.
- 10.2 Neither the Headteacher/Principal nor the Deputy Headteacher/ Vice Principal can authorise amendments concerning their own pay and contract conditions. Changes to the Headteacher/Principal's pay and contract conditions must be authorised The Board.
- 10.3 The FO has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed. Checks should be made against salary commitment spreadsheets, reference to the previous month's pay, and any sick pay, overtime, supply or pay deductions schedules from the previous month.
- 10.4 Payments made each month to the Payroll Service Provider and payments made to outside staff agencies are to be debited against the relevant budgets and credited to the payroll control accounts. After the appropriate BACs transfers and the corresponding entries in the

payroll control accounts and the school bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled, and appropriate explanations documented. It is the responsibility of the FO to ensure that this is done.

- 10.5 Each month the Director of Business will reconcile back to the bank statement all payments for salaries, BACS, and other salary related payments.
- 10.6 Each month the FO will check a sample of the personnel records maintained by the school to the payments actually made by the Payroll Service Provider. It is expected that over the course of a year, every member of staff would have had his/her salary payment checked against personnel records at least once. It is the responsibility of the Headteacher/Principal or Director of Business to ensure this is done.
- 10.7 Copies of all individual notifications to the Payroll Service Provider will be filed by the FO/HR Manager and kept securely.

11.0 INCOME

General

- 11.1 The sources of income for the academy are the grants from the Education Funding Agency and from our sponsors, tenants, students (academy meals and trips / events) other schools and professional bodies, and the public. It is the responsibility of the Director of Business to ensure that all income due to the academy has been received, banked and that all income due to the academy is collected and reconciled to its financial accounting system.
- 11.2 All income received should be recorded immediately on the Academy's daily record books and entered onto the academy's financial accounting system. The collection record should contain the amount received, the name of the person / organisation making the payment, the date the payment is received, and the method, i.e. cash or cheque. Daily Record Books could be in the form of paper sheets, excel spreadsheets, or online cash collection agencies eg ParentPay, SIMS Agora.
- 11.3 All income received by the academy should be banked at a minimum of fortnightly and **in full** (unless the individual academy collects most cash via online collection, in which case smaller cash/cheque amount may be banked on a monthly basis). The insurance policy cover for cash and cheques held on site must not be exceeded. However, if a high level of income is expected e.g. proceeds from a fete, the insurer must be informed to obtain additional short term cover, and the income must then be banked as soon as is practicable.
- 11.4 Personal cheques should not be cashed.
- 11.5 When income is banked the collection record must be totalled in value in order to provide a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip number should then be entered onto the income collection record to assist in providing a clear and simple audit trail.
- 11.6 When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each cheque will be listed separately, either on the bank paying in slip, or the Academy Cash Analysis Sheet.
- 11.7 Income received by the academy will be acknowledged to the payer by either i) issue of a receipt when the value of the payment exceeds £20 or, ii) by the collector signing an official collection record i.e. Residential Trip Payment Card. No category of income should be

excluded from the issue of a receipt e.g. academy meals. Copies of receipts issued should be retained for future reference, e.g. to resolve a dispute over payment. If an online cash collection system is used, entry onto the system by school staff will be deemed to be a receipt as parents and carers will be able to view all entries for their children.

Custody

- 11.8 Where required, official, pre-numbered academy receipts should be issued for all cash and cheques received where no other formal documentation exists. Letters of thanks for donations may also be considered to be receipts, providing the letters include the amount and nature of the donation, and the name of the donor or organisation. All cash and cheques must be kept in the safe prior to banking.
- 11.9 Monies collected must be banked in their entirety (intact) in the appropriate bank account. The Finance Officer is responsible for ensuring that reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system and related system generated reports, i.e. SIMS Dinner Money module and other automated income collection systems, i.e. SIMS Agora are completed. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Finance Officer.

Trips

Manual system (or alternatively see automated system below)

- 11.10 Finance staff take responsibility for the collection of sums due. A record will be maintained for each student intending to go on the trip, showing the amount due.
- 11.11 Students should make payments at the Finance Office. Receipts will be issued as described above, including online cash collection entries.
- 11.12 The finance staff should maintain an up to date record for each student showing the amount paid and the amount outstanding. The finance staff are responsible for chasing the outstanding amounts.

Automated Systems

- 11.13 Academies may use online cash collection systems for recording and collecting payments for all payments made to the Academy in respect of its students. Parents and carers may pay online using a debit or credit card, or by PayPoint at authorised shopping outlets. Cheque and cash payments will be entered by finance staff. There may be a facility to record payments made by the academies on behalf of the student – eg Pupil Premium support.

Catering / Meals Income

11.14 **Academy Meal Income Class Registers:** the completion of manual registers must be in ink. Online registration may be used where appropriate. The value of income collected must be reconciled to the number of paid-for meals provided. The value of academy meal income banked must be supported by a consolidated summary sheet of income by class register which provides a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip reference number should be entered on the consolidated summary sheet.

11.15 **Academy Meal Income Software Packages:** the bank paying in slip reference number should be entered onto the academy meal system to provide a simple and clear audit trail from income received to income banked.

Receipts for academy meal income should be issued when the value of the payment received exceeds the value set out in Section 9.17. Receipts will be deemed to be provided by means of SIMS Agora once the system is in use, as parents and carers will be able to see all payments recorded by finance staff.

11.16 **Cafeteria Style Catering – Till Collections**

Adequate records of number of meals served, together with amounts received must be kept. This could be through PS Financials journals, spreadsheets, or till receipts. Reconciliations of meals taken to payments received should be carried out regularly. All banking should be subject to the same limits as detailed above.

11.17 All documentation should be scanned into PS Financials and attached to the relevant journal

Automated Payments

11.18 When setting up a contract with a new supplier for provision of this service, consideration should be given to the following areas:

- i) Basis of fees payable to the company
- ii) Complete audit trail and facility of income reconciliation of totals received
- iii) Reminder facilities to chase up overdue amounts

Any contract for the services of an online parental payment system Service Provider will be reviewed regularly to ensure that the academy is getting value for money and that the provider is giving an adequate service. A copy of the contract should be held in academy.

12.0 RISK MANAGEMENT

12.1 The Local Academy Committee should ensure that the Board Risk Register is reviewed regularly. At each meeting the LAC should discuss the Risk Register as a separate agenda item, and any new risk identified should be discussed, mitigated and recorded in the minutes. A copy of the register should be presented to the LAC at every meeting. Copies of all minutes should be forwarded to The Board.

12.2 Where risks arise that threaten the reputation of the Trust or the financial viability of the academy, they should be notified to The Board immediately

13.0 LETTINGS POLICY

General

13.1 The Board recognises the position of the school in the local community and that encouragement should be given to the use of the school premises by outside organisations.

The Board wishes to take every possible care to ensure that all children / young people and others using the school premises out of school hours are safe from abuse and that they are treated with dignity and respect.

The letting of the school is the responsibility of the Local Academy Committee and the administration of the letting is the responsibility of the Estates Staff.

Application Form

13.2 All hirers will complete the appropriate lettings application form relevant to the individual academy. Long term hirers must complete a letting application form at least annually. Day to day approval of requests for hire will be the responsibility of the Headteacher/Principal/FO who will sign the letting application form in the designated space, after -

- a) Agreeing the scales of charges to be applied. Abatement of charges can only be made, subject to LAC approval.
- b) Checking to ensure the application form has been properly signed by the hirer.
- c) Confirming if the hirer is affiliated to any national association that has its own child protection policy.
- d) Checking that the hirer has a child protection policy if not affiliated to a national association,
- e) Checking that a copy of the academie's own child protection policy and guidelines has been passed to the hirer where relevant and that the hirer has signed to confirm receipt and acceptance.
- f) Checking that appropriate insurances are in place
- g) Deciding if it is necessary to seek references for the hirer.

Bookings

13.3 All requests for hire will be logged in the school calendar by the relevant academy staff. Payment will be required upon receipt of an invoice generated by the Finance Officer. In other instances it may be appropriate to require a deposit. All deposits will be banked immediately and should a refund of the deposit be subsequently required, then a refund will be issued.

Payments

13.4 The Finance Officer is responsible for ensuring that invoices are raised and issued.

14.0 GOVERNORS' ALLOWANCES

14.1 Section 36(5) of the Education Reform Act 1988 enables Governing Bodies to decide whether they wish to pay travelling and subsistence allowances from the school budget to individual members of the Governing Body. The policy of the governors in respect of payment of allowances must be openly available to parents and governors. The Governing Body must consider the payment of allowances annually, and the outcome must be recorded appropriately in the minutes.

- 14.2 The Trust has agreed that LACs may make their own decisions regarding payment of expenses to governors, in line with HMRC limits.
- 14.3 The SEAX Board of Trustees has agreed that Trustees may claim reasonable expenses in line with HMRC limits. These must be authorised by the Chair of the Board or Chair of Resources and Audit Committee. Expenses for the Chair of the Board must be signed by the Chair of the Resources and Audit Committee.

15.0 WHISTLEBLOWING POLICY

Existing good practice within the school in terms of its systems of internal control, both financial and non-financial and the external regulatory environment in which the school operates will ensure that cases of malpractice rarely occur. This whistleblowing policy is provided as a reference document to establish a framework within which issues can be raised confidentially internally, and if necessary outside the management structure of the school.

This document is a public commitment by the Trust that concerns are taken seriously and will be actioned.

Trustees Statement

- 15.1 The Board are committed to tackling all forms of malpractice, fraud etc and treat these issues seriously. The Board recognise that some concerns may be extremely sensitive and have therefore developed a system which allows for the confidential raising of concerns within the school environment but also has recourse to an external party outside the management structure of the school.
- 15.2 The Board are committed to creating a climate of Trust and openness so that a person who has a genuine concern or suspicion can raise the matter with full confidence that the matter will be appropriately considered and resolved. The provisions of the policy apply to matters of suspected malpractice and fraud and not matters of more general grievance which would be dealt with under the school's grievance procedures.

Background and Context

15.3 This policy on 'whistleblowing' has the following background and context:

- a) Any version of the code adopted by The Board will form part of the Conditions of Employment. The code currently states:

"School employees are expected to give the highest possible standard of service to the public through the performance of their duties. Employees will be expected through agreed procedures and without fear of recrimination, to bring to the attention of their line manager any deficiency in the provision of service.

Employees must report to the appropriate manager any impropriety or breach of procedure.

- b) The legal background relating to "whistleblowing" is covered by the Public

Interest Disclosure Act 1998 which affords protection against dismissal penalty where an employee discloses in good faith, with reasonable grounds for belief in the disclosure, certain information relating to the following examples:-

Malpractice

Fraud

- Failure to comply with legal obligations
- Child protection issues
- Miscarriages of justice
- Criminal offences
- Danger to Health & Safety
- Damage to the environment
- Concealment of evidence relating to the above
- Manipulation of accounting records and finances
- Inappropriate use of school assets or funds
- Decision making for personal gain
- Abuse of position to influence decisions
- Fraud and deceit

- c) This policy sets out the agreed procedures that should be followed where employees have concerns about what they regard as such impropriety or neglect of duty. Such breaches of acceptable standards may be in relation to ethical or professional standards, as well as the school's expectations on money, gifts, hospitality, health and safety and welfare, equal opportunities, relationships and outside interests. The Code of Conduct gives greater details.
- d) This procedure should be used where concern is about the consequences for other employees or the public. If the concern is about the individual being disadvantaged, by the action or failure to take action, then that should be pursued through the Academy's Grievance Procedure.

What Should an Individual do if "Whistleblowing"?

15.4

- a) Judgement will need to be exercised here if the inaction or lapse of standards seems to be minor, then it may well be sufficient just to bring the matter to the attention of the employee who appears to be at fault.
- b) If the matter is more significant, particularly if it involves breaches of the school's Code of Conduct or where a previous informal response has been apparently disregarded, then the matter should be raised formally with the line manager and as a matter of urgency if it appears serious.

If given verbally, confirmation of the complaint should be made in writing as soon as possible.

- c) Where the complaint concerns the line manager, or having made the report it is believed that appropriate action has not been taken then the complaint should be brought to the attention of a more senior manager.
- d) If it is believed that fraud, theft or other potential gross misconduct is involved; the matter should be raised quickly as mentioned above.

It must not be mentioned to the subject of the complaint or other colleagues as this could prejudice subsequent investigation.

Suspected fraud should be reported in accordance with the Anti-Fraud and Corruption policy.

Contact details for the Trust Board are

Tony Cox – Trustee

Email: tonycox@seaxtrust.com

Post: Mr Tony Cox, Trustee SEAX Trust c/o Thriftwood College, Fox Crescent, Chelmsford, Essex. CM1 2BN – Marked **PRIVATE AND CONFIDENTIAL**

- e) Where there are genuine and justified suspicions of wrong doing, even though at the time of “whistleblowing” there is no concrete evidence of serious wrong doing, this should not deter anyone from going ahead and reporting the matter, particularly where it may involve potential risk to vulnerable people.
- f) The Board encourages the “whistleblower” to raise the matter internally in the first instance to allow those school staff and governors in positions of responsibility and authority the opportunity to right the wrong and give an explanation for the behaviour or activity.

The LAC has designated a number of individuals to specifically deal with whistleblowing and if the “whistleblower” feels that appropriate action has not been undertaken after following the actions in paragraphs (b) and (c) above then the matter should be referred to one of the individuals shown below:-

Headteacher/Principal

Chairperson of LAC

Trust Board Member

- g) The “whistleblower” may prefer to raise the matter in person, by telephone or in written form marked “private and confidential” and addressed to one of the above named individuals. All matters will be treated in strict confidence and anonymity will be respected wherever possible.

Alternatively if the “whistleblower” considers the matter too serious or sensitive to raise within the internal environment of the school, the matter should be directed in the first instance to The Chairman of the Board. The Trust has its own procedures for dealing with such matters and will ensure every effort to respect the confidentiality of the “whistleblower”. The Chairman will ensure that relevant Board Members and other bodies such as the Department for Education, County Council and Police are informed as appropriate.

In addition, information and advice can be obtained from the charity – ‘Public Concern at Work’. This charity offers free legal advice in certain circumstances about serious malpractice at work. Their literature states that matters are handled in strict confidence and without obligation. Contact details for the charity are as follows:

Public Concern at Work

Suite 306

16 Baldwin Gardens

LONDON

EC1N 7RJ

Telephone number – 0207 404 6609

What Should a Line Manager Do When a Complaint is Received?

15.5

- a) It is essential that problems raised are tackled effectively and quickly and with the aim of righting wrongs, this may well be best achieved in many less serious cases by discussion with the “offending” employee and securing a commitment as to future standards and corrective action. In other more serious cases, the matter may well have to be referred to a senior manager.

It may be necessary to instigate disciplinary proceedings.

- b) Complaints received from outside of the school environment must be dealt with by following the procedures as outlined in the school’s own Code of Conduct / Customer Care Code of Practice.
- c) Any written complaint / allegation should be given a written acknowledgement and confirmation that the matter will be looked into. Unless clearly made in a very low key way about minor matters, verbal complaints/allegations should receive a written acknowledgement in the same way.
- d) In the event of the allegation being of a serious nature e.g. relating to a fraud or other gross misconduct offence, there may well be a need to involve other colleagues immediately – see paragraph no. 14.4(f). This should normally be agreed initially by the Chair of the LAC and / or the Headteacher/Principal who, in turn, should keep the Chief Finance Officer informed or in the case of fraud otherwise the Chairman.
- e) When any complaint or allegation has been looked into and resolved or dealt with, the person who raised the matter in the first instance should be notified – normally in writing unless common-sense indicates that it can be done more appropriately verbally. How much detail to provide in such cases is a matter of judgement.

Protecting “Whistleblowers” and Complainants

15.6

- a) “Whistleblowers” have an expectation that their identity can be kept concealed. In the majority of cases this may be possible, but in more serious cases where disciplinary action may have to be taken against an individual, it may well be judged that they have a right to know the source as well as the nature of such complaints. In any case the LAC is committed to doing as much as possible to ensure that the well being of the “whistleblower” at work does not suffer as a result of the tensions that may result from the making of or investigation of complaints.
- b) Individuals are encouraged to bring to the attention of their managers any harassment or victimisation they may suffer as a result of whistleblowing. All necessary action will be taken to ensure that such harassment or victimisation is stopped.
- c) It may be that “whistleblowers” will find the process of reporting wrong-doing and making statements etc stressful, particularly where there may be feelings of divided loyalties. In such cases the opportunity should be given for the “whistleblower” to talk through these anxieties and feelings, either with their manager or possibly, someone from an external counselling service. The LAC encourages this action.

Individuals Receiving A Complaint About Themselves

- 15.7 If the complaint or allegation is at all significant or made in a formal way, particularly by a member of the public or other external users, then the line manager, or Chairperson of the LAC in the case of a Headteacher/Principal, should be informed even if it is believed that the complaint is groundless or unjustified.

Where a complaint or “grumble” clearly does not justify the issue being pursued in this way, then a brief file note or diary entry will often be appropriate and in the best interests of the individual.

A Sense of Perspective

15.8 As stated in the Code of Conduct, all staff have an obligation under the code to raise concerns where it is seen that proper standards have clearly been breached or ignored.

Nevertheless it is important that where deficiencies in service provision standards are involved rather than in areas of malpractice, staff should satisfy themselves that the failing is serious and that the potential disadvantage to the school or public is significant. Any unnecessary over-zealous reporting might be inappropriate and counter-productive.

However, Governors re-iterate that individual staff members are encouraged to raise genuine concerns with the knowledge that they will be taken seriously.

Malicious Accusations

1. 15.9 If on investigation, it is considered that an individual has made malicious allegations without any real substance, then these too will be taken seriously and may constitute a disciplinary offence or require some other form of penalty appropriate to the circumstance

Name:

Name of Business	Nature of Business	Nature of Interest	Date of Appointment Or Acquisition	Date of Cessation Of Acquisition Or interest	Date of Entry

I certify that I have declared ALL beneficial and pecuniary interests, including:

- ALL Trusteeships, partnerships and employments;
- trusteeships and governorships including at other educational institutions and charities irrespective of whether there is a trading relationship with the trust; and
- for any person closely related to me with business interests or other organisations which may have dealings with the school.

For each interest: the name of the business, the nature of the business, the nature of the interest, and the date the interest began. (*Academies Financial Handbook*)

Signed.....

Date.....

SEAX Trust Registered Company Number 07747149. Registered Address Slades Lane, Galleywood, Chelmsford CM2 8RW

**Mileage Rates/Subsistence Rates
Staff/Governors/Trustees/Members**

Revenue & Customs approved mileage rates 2011/12		
From 2009/10	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p

Breakfast	£5
Lunch	£7.50
Evening Meal	£15

Note:

Employees using their own vehicles for work are entitled to receive certain payments free of tax and National Insurance Contributions (NICs); the rules for each are related but not identical.

The table above denotes the current maximum rates payable at which no additional tax or NI is incurred.

If employees receive greater amounts than are allowed tax-free, they will pay tax on the excess. If they receive greater amounts than are allowed NICs-free, both employers and employees will be liable for Class 1 NICs on the excess.

If employees receive less than the respective amounts above, no NICs will be payable and tax relief will be available.

Appendix B (i)

Staff: Remuneration Expenses Statement

- Staff are reimbursed for **Business Mileage** through a claim form procedure as detailed in the Trust's Financial Regulations, and reimbursed via the staff expenses system, or through the payroll system
- **Car Parking & Train Fares** to attend training courses are reimbursed to staff via the staff expenses system.
- Staff are reimbursed for **Consumables & Resources** purchased for classroom/academy use via the staff expenses system/petty cash system
- There are no other reimbursed expenses

Appendix B(ii)

SEAX Trust Best Value Statement

Date:

Project/Equipment:

Company	Quotation £	Governor/Board Approval	Contract Awarded

Signed: Academy Business Manager
Signed: Principal/Chair LAC/SEAX Trust
Order Number:

Appendix C SEAX Trust Registered Company Number 07747149. Registered Address Slades Lane, Galleywood, Chelmsford CM2 8RW

MONTHLY INDIVIDUAL PAYROLL VERIFICATION CHECKS					
Checks should be made for actual salary paid, hours per week, weeks per year (FTE for teachers)					
Staff Name	Payroll Data – monthly payroll reports	Personnel Data Letters of appointment or changes	Computerised Records eg SIMS, RM	Checked by	Date of Check

Please note any discrepancies below, and detail any actions that need to be taken – eg payroll needs updating in line with a new change in employment. Please date and sign each action that has been taken.

Staff Name	Action Taken, Dated and Signed

Verified by:..... Headteacher/Principal/DIRECTOR OF BUSINESS Date:.....

Governors/Trustees Expenses Claim Form (where LAC/Board has a policy to pay expenses)

Name:	School Name
Address:	Date:
Post Code:	Claim for Spring/Summer/Autumn term <i>(please delete as applicable)</i>

I claim the total sum of £_____ for governor expenses as detailed below. I attach all relevant receipts to support my claim.

Signed _____ Date _____

	£	p
Travel to meetings by public transport claimed at approved mileage rate. Miles claimed : _____ @ _____		
Travel to meetings by car: Miles claimed : _____ @ _____		
Travel/subsistence to national meetings or training events/courses		
Telephone Charges		
Postage		
Photocopying		
Stationery		
Child care/Babysitting expenses		
Care arrangements for an elderly or dependent relative		
Support for governors with special needs		
Support for governors whose first language is not English		
Other (please specify)		
TOTAL EXPENSES CLAIMED		

Approved by Chair of Governors: _____

Date: _____

Appendix E

SEAX Trust Registered Company Number 07747149
Registered Address Slades Lane, Galleywood, Chelmsford CM2 8RW