



Wingfield Academy

Financial Procedures Manual

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APPROVED

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INTRODUCTION

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

The Academy must comply with the principles of financial control outlined in the guidance published by the DFES in the Academies Financial Handbook revision of 2017. This manual expands on that and provides detailed information on the Academy's accounting procedures. The ESFA publish Accounts Directions on an annual basis which also update Academy's financial procedures. The manual should be read by all staff involved with financial systems.

RESPONSIBILITIES

Introduction

The Academy has defined the responsibilities of each person involved in the administration of Academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff.

Governing Body

The Governing Body has overall responsibility for the administration of the Academy's finances.

The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the Academy and the Secretary of State.

The Governing Body has an established Finance Committee, terms of reference have been agreed and the committee will meet at least 6 times per year.

It is anticipated that this committee will be responsible for monitoring and making recommendations to the Governing Body on matters related to Finance. The Governing Body will

- define and review its terms of reference;
- prescribe the extent of its delegated authority;
- ensure it receives minutes of the committee's meetings and subsequently approve these minutes.

The Governing Body will review the requirement of the Finance Committee, its remit and membership annually.

Role of the Finance Committee in Relation to Finance

The Governing Body has adapted the pro forma terms of reference for the finance committee included in the Academies Financial Handbook, updated July 2019 to include detailed procedural information.

Role of the Responsible Officer (RO)

Whilst not now a formal requirement, to ensure that the Academy's finances are appropriately applied and managed the Governing Body has appointed a Responsible Officer and in accordance with the guidelines set out in Academies Financial Handbook. The Responsible Officer must not be a member of the Academy staff nor the Chair of Governors or a member of the Finance Committee, but may be another governor, or an individual outside the Academy community.

The principal role of the RO is to provide assurance to the Governing Body on the following issues:

- the discharge of its financial responsibilities according to the requirements of the DFE/ESFA;
- the efficient, economical and effective management of resources and expenditure, including funds,
- capital assets and equipment, and staff;
- the introduction and maintenance of sound internal financial controls;
- that financial considerations are taken fully into account in reaching decisions and in their execution.

The programme of checks carried out is agreed with the Governing Body. After each checking session, the RO provides the Governing Body with a written report.

The Governing Body have appointed the Internal Audit Team of Rotherham Metropolitan Borough Council, Schools Finance to be the RO for 2019-2020

Role of the Head teacher (Accounting Officer)

The Head teacher is responsible for the following, in accordance with DFE/ESFA guidance:

- to fulfil the duties of the Accounting Officer according to the guidance in the Academies Financial Handbook.
- The Accounting Officer is personally responsible to the Governing Body for
 - ensuring regularity and probity;
 - prudent and economical administration;
 - avoidance of waste and extravagance;
 - efficient and effective use of available resources; and
 - the day to day organisation, staffing and management of the Academy.
- Included in the responsibilities of the Accounting Officer is a duty to take appropriate action if the Governing Body, or the Chairman, is contemplating a course of action which he or she considers would infringe the requirements of propriety or regularity or would not represent prudent or economical administration, or the efficient or effective discharge of the governing body's functions.

Specific Financial Tasks Delegated to the Head teacher

The Governing Body has delegated responsibility for:

- leading and managing the Academy development plan which is underpinned by sound resource planning, and identifies priorities and targets for ensuring that pupils achieve high standards and make progress, increase teachers' effectiveness and secure improvement of the Academy's performance;
- ensuring that the relevant DFE/ESFA financial regulations/standing orders or DFE/ESFA requirements are implemented;
- establishing and maintaining sound internal financial controls which are managed on a daily basis by the Head teacher and the Business & Resources Manager;
- ensuring the effective implementation of current financial systems and procedures described in this financial procedures manual;
- ensuring that the funds delegated to the Academy are in accordance with its legal entitlement;

- ensuring the compilation of draft budgets for the Governing Body and any subsequent appropriate committees;
- ensuring the efficient and effective deployment of the Academy's resources;
- ensuring the production of regular reconciled budget/financial reports to the Governing Body, DFE/ESFA and Companies House as appropriate.
- the Academy buy back of Local Authority services if it wishes to do so.

The Role of the Business & Resources Manager (Principal Finance Officer)

The Business & Resources Manager is responsible for the following financial duties to fulfil the duties of the Head Teacher Finance Officer according to the guidance in the latest Academies Financial Handbook These are

- the day to day management of financial issues;
- the management of the Academy's financial position;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Academy.
- providing financial advice to the Head teacher and Governing Body;
- setting and monitoring the budget;
- ensuring the maintenance of the Academy's accounting records;
- income generation and recording;
- reviewing and authorising monthly payroll information;
- making purchases in accordance with best value' principles;
- developing relationships with partners and exploring opportunities for obtaining support to the Academy;
- promoting relationships with the local community and potential donors;
- obtaining appropriate legal advice;
- management and monitoring of specific projects, e.g. capital projects;
- developing provision to promote best value;
- developing and updating policies as required;
- ensuring regular communication with the Responsible Officer and auditors;
- maintaining sample signature lists;
- ensuring pecuniary/ business interests register is updated and for Governors placed on the Academy website;

The Role of the Finance Officer

The Finance Officer is responsible for:

- maintaining the Academy's accounting records;
- liaising with budget holders and providing regular reports;
- ensuring financial procedures are adhered to at all times;
- preparation of monthly payroll information;
- promoting best value principals;
- management of petty cash;
- management of the Academy asset inventory

RISK MANAGEMENT

These Financial Procedures form an integral part of the Academy's Risk Management Strategy, which includes assessment of risks on a Red, Amber, Green basis with high risk areas identified and actions in place to minimise these risks.

Please see the Academy's separate Risk Register

WHISTLEBLOWING POLICY

Preamble

The Second Report of the Committee on Standards in Public Life: Local Public Spending Bodies published by The Nolan Committee used the term "whistleblowing" to mean the confidential raising of problems or concerns within an organisation by a member of staff. This is not "leaking" information but refers to matters of impropriety e.g. a breach of law, Academy procedures or ethics. nor is whistleblowing the raising of a grievance within the Academy (which would be dealt with under the staff grievance procedures).

Introduction

The staff and governors of Wingfield Academy seek to run all aspects of Academy business and activity with full regard for high standards of conduct and integrity. If members of Academy staff, parents, governors or the Academy's community at large become aware of activities which give cause for concern, Wingfield Academy has this Whistleblowing Policy; this acts as a framework to allow concerns to be raised confidentially and provides for a thorough and appropriate investigation of the matter to bring it to a satisfactory conclusion, under the Academy's disciplinary procedure.

Wingfield Academy is committed to tackling fraud and other forms of malpractice and treats these issues seriously. Wingfield Academy recognises that some concerns may be extremely sensitive and has therefore developed a system which allows for the confidential raising of concerns within the Academy environment but also has recourse to an external party outside the management structure of the Academy.

When Might the Whistleblowing Policy Apply?

Individuals are encouraged to come forward in good faith with genuine concerns knowing they will be taken seriously. A whistleblower should ask a few questions before taking action:

- is it, or do you believe it to be, illegal?
- is it, or do you believe it to be, against codes of practice issued by the Academy, the DFE/ESFA or a professional body?
- does it contradict what the employee has been taught, or should have been taught?
- is it about an individual's behaviour or is it about general working practices?
- has the whistleblower witnessed the incident?

If any individual raises malicious unfounded concerns or attempts to make mischief, this will also be taken seriously and may constitute a disciplinary offence or require some other form of penalty appropriate to the circumstances.

All allegations should be capable of being dealt with through the disciplinary procedure and will be considered appropriately.

Where the alleged activity or behaviour cannot be dealt with under the scope of other procedures then consideration should be given to using this Whistleblowing Policy e.g.

- manipulation of accounting records and finances;
- inappropriate use of Academy assets or funds;
- decision making for personal gain;
- any criminal activity;
- damage to the environment of the Academy;
- dangerous practices;
- abuse of position;
- fraud and deceit or corrupt practices;
- serious breaches of Academy procedures which may advantage a particular party (for example tampering with tender documentation, failure to register a personal interest);
- sexual or physical abuse of pupils or others;
- other unethical conduct.

Anonymous allegations will only be considered if the issues raised are:

- very serious;
- the credibility of the allegation is considered to be high;
- the likelihood of confirming the allegation is high.

Procedure

Wingfield Academy encourages the whistleblower to raise the matter internally in the first instance with their line manager (or the Head teacher, if the line manager is the one under suspicion; the Chair of Governors if the Head teacher or a governor is under suspicion; the Head teacher, Responsible Officer and Academy Lead Officer from the DFE/ESFA if the Chair of Governors is under suspicion).

This will allow them to right the wrong and give an explanation for the behaviour or activity. Alternatively, the whistleblower may request a private and confidential meeting in the first instance with the person who is causing concern. He/she may be accompanied by a representative of their choice if they so wish (e.g. Union representative or friend).

All matters will be treated in strict confidence and anonymity will be respected wherever possible. Written, dated and signed supporting evidence and statements should always be taken to any meetings if possible.

Alternatively, if the whistleblower considers the matter too serious or sensitive to raise within the internal environment of the Academy, the matter should be directed in the first instance to the Academy Lead Officer with the DFE/ESFA, although the DFE/ESFA will need to involve the appropriate governors.

The DFE/ESFA will have its own procedures for dealing with such matters and will ensure every effort to respect the confidentiality of the whistleblower. The DFE/ESFA will ensure relevant officers are informed as appropriate and should advise the Governing Body of appropriate steps to take.

How Will the Matter Be Progressed?

The individual(s) in receipt of the information or allegation (the investigating officer(s) will carry out a preliminary investigation. This will seek to establish the facts of the matter and assess whether the concern has foundation and can or should be resolved internally. The initial assessment may identify the need to involve third parties to provide further information, advice or assistance, for example involvement of other members of Academy staff, the Academy's RO and/or external auditors, legal or personnel advisors, the police or the Department for Education.

Records will be kept of work undertaken and actions taken throughout the investigation. The investigating officer(s), possibly in conjunction with the Chair of Governors or nominee, will consider how best to report the findings and what corrective action needs to be considered. This may include some form of disciplinary action and/or third party referral such as the police.

Depending on the nature of the concern or allegation and whether or not the investigating officer considers there to be a case to answer, the disciplinary procedure may be applied. In such cases any disciplinary action will be considered by the dismissal committee and if appropriate the dismissal appeals committee of the Governing Body. Where a case is proven on the balance of probability the matter will be reported to the full Governing Body, the DFE/ESFA and, where appropriate the GTC.

If the whistleblower is dissatisfied with the conduct of the investigation or resolution of the matter or has genuine concerns that the matter has not been handled appropriately, the concerns may be raised with the Chair of Governors or, for financial impropriety, the Academy's Responsible Officer. If that fails to resolve matters, then the employee should seek the assistance of "Public Concern at Work" on 0207 404 6609. For any concerns taken outside of the Academy this policy will not apply and any employee raising issues on a wider basis, e.g. with the press, without following the procedure in this policy may be liable to disciplinary action.

Respecting Confidentiality

Wherever possible Wingfield Academy seeks to respect the confidentiality and anonymity of the whistleblower and will as far as possible protect him/her from reprisals. Wingfield Academy will not tolerate any attempt to harass or victimise the whistleblower, or attempts to prevent concerns being raised, and will consider any necessary disciplinary or corrective action appropriate to the circumstances.

Conclusion

Existing good practice within Wingfield Academy in terms of its systems of internal control, both financial and nonfinancial, and the external regulatory environment in which the Academy operates, ensure that cases of suspected fraud or impropriety 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 Academy. This document is a public commitment that concerns are taken seriously and will be actioned.

Any actions arising from allegations/investigation must be in accord with the Academy's disciplinary procedure, which should cover all of the potential areas of concern.

At all times the information and advice, which can be obtained from the CEFM Help and Advice Line/EPM, should be utilised, particularly where dismissal or appeal to the Employment Tribunal is possible.

REGISTER OF BUSINESS INTERESTS POLICY

The Governing Body and members of staff who can influence buying decisions recognise their responsibility to avoid any conflict between their business and personal interests and those of the Academy.

The Academy therefore maintains a register of the business interests of each governor, member of staff with significant financial responsibilities, their relatives and other individuals who may exert influence. The register includes:

- interests with suppliers from which the Academy may wish to buy goods or services;
- interests in the appointment, salary, promotion or conditions of service of members of staff.

The information in the register is taken into account whenever buying or staffing decisions are made.

Any governor or member of staff who has an interest in a business tendering for a contract does not form part of the committee awarding the contract. Any governor or member of staff who has an interest in the appointment, salary, promotion or conditions of service of a member of staff does not form part of the committee recommending or deciding these.

Governors and members of staff are required to inform the Academy of any changes in their interests as these arise so that they can be entered in the register. The register is also updated annually. Nil returns are obtained as appropriate. Any governor or member of staff who is unwilling to declare their interests or complete a nil return is not permitted to influence a buying or staffing decision.

The minutes of the full Governing Body, Finance Committee, or any other committee which can influence a buying decision record a standard agenda point seeking updates to governors' business interests. The only exception to the requirement to disclose a business interest is that if the interest is so distant or small that no ordinary right-thinking person would expect it to influence a person who might have dealings with the firm concerned. In such cases, it need not be disclosed. An example is a modest shareholding in a large public company even if the Academy has or may have dealings with the company.

The register is freely available for inspection by governors, staff and parents, with the website updated annually to show the business interests of Governors and the Head Teacher.

Receipt of Gifts, Hospitality, Entertainment and Other Services

Governors and members of staff involved in making buying decisions do not accept excessive, frequent or regular gifts, hospitality, entertainment or other services from existing or prospective suppliers.

When considering whether to accept such offers, they consider whether they could affect their independence or cause concern that they might affect their independence. The Academy maintains a register of gifts and favours offered and whether these were accepted or rejected. Governors and members of staff are required to inform the Academy of such offers as they arise.

Expenditure on Gifts, Hospitality, Entertainment and Favours

The full Governing Body approves any expenditure on gifts, hospitality, ex-gratia payments and losses to be written off.

The Academy maintains a log of these. Such expenditure is only authorised if the Governing Body can demonstrate that they have taken into account the principles of probity, accountability and value for money.

Expenditure on hospitality from public funds is only incurred in the provision of education. Hospitality is generally only provided in the workplace and usually restricted to tea/coffee, biscuits, soft drinks or sandwiches. Modest hospitality is occasionally provided outside the workplace. The Head teacher maintains a register of the occasions when hospitality is provided, the number of people involved and the costs incurred.

Private Use

The Academy does not obtain goods or services for the private use of governors and members of staff.

Governors and members of staff may not:

- hold any interest in any equipment or property held or used for the Academy;
- acquire any interest in the disposal of Academy equipment or property at the end of any contract between the Academy and any third party.

AUDIT

Public Funds

The Academy adheres to the external audit regime as outlined in the Academies Financial Handbook and as required by Companies House. A programme of quarterly checks to be carried out by the Responsible Officer is agreed by the full Governing Body. The programme for external audit is agreed with the external auditor approximately one month before the audit work is carried out.

The Head teacher must inform the DFE/ESFA and the Governing Body immediately if the following are discovered or suspected:

- loss or misuse of money;
- financial irregularities;
- fraud.

INSURANCE

Funds for insurance are delegated to the Academy and it must demonstrate it can cover insurable interests under a policy arranged by the Academy and ratified by the Governing Body. The Governing Body or Finance Committee reviews insurance arrangements annually. They ensure that the sums insured are commensurate with risks and include cover for Academy property when off the premises.

The Academy insurance remains with Zurich Municipal who have agreed to extend the LTA to the 31st July 2020.

The main types of insurance cover which are in place are:

- premises and contents. These should be insured at replacement cost against damage by subsidence, fire. The Academy Buildings are insured under the PFI arrangement and will remain sure until the arrangement expires. All other Academy buildings are covered.
- lightning, explosion, storm, flood, riot, malicious damage, terrorism and similar risks;
- business interruption;
- Governing Body and employer liability. The currently recommended minimum level of cover for academies is £10m for each;
- any statutory motor transport insurance;
- loss of assets through fraud or dishonesty on the part of employees;

- personal accident; and
- fidelity insurance.

A separate file is maintained for the Academy's Insurance and is kept in the resources office.

The Academy publishes the Insurance Certificate in reception and copies are available for any person requiring confirmation of the cover in place.

TAXATION

The Academy abides by the procedures issued by the HMRC (Her Majesty's Revenue & Customs) in connection with VAT.

Following on from advice from the Academy's accountant, in view of the amount of non-educational income the Academy generates it is not VAT registered. This however needs to be regularly reviewed and if the VAT threshold is likely to be exceeded Governors will be advised and further accountant advice will be sort.

The Academy will reclaim its VAT spending on a monthly basis.

The Academy abides by the procedures issued by the HMRC in connection with CITS.

ACADEMY IMPROVEMENT PLAN AND BUDGETING

Budgeting

The Governing Body will agree a budget to achieve the Academy improvement plan, which explains how it intends to use its resources to achieve its aims and objectives. It will also look at longer term plans over 3 and 5 years,

This takes account of:

- the educational priorities for the Academy;
- likely demographic changes affecting pupils and staff;
- the building and repair maintenance programme;
- repair and renewal programmes for furniture, fittings and equipment.
- The plan is an integral part of the Academy's self-evaluation cycle and it is reviewed on an annual basis and updated in the light of new information and changed priorities.
- The plan is constructed using the following processes:
- an estimation of income, based on the Academy census, plus estimates for ESG allocations lettings and other income;
- an estimation of staffing costs, based on a staff salary calculator taking account of known retirements, responsibility allowances, etc.
- an estimation of operational expenditure, based on known cost trends for utilities, supplies, service level agreements, etc.
- the identification of potential efficiency savings;
- the allocation of curriculum budgets to departments, using a transparent formula to allocate funds
- equitably in line with need and Academy priorities;
- a review of the Academy's self-evaluation priorities, which forms part of the Ofsted inspection requirements;
- the identification of ICT developments on the basis of priorities detailed in the ICT development plan;

- verifying planned levels of unspent balances - ensuring the resulting annual surplus or deficit is in line with plans to recover from an overall deficit position, or build up unspent balances to fund future development plans.

Budget Setting

- The Academy budget will be set following receipt of the final budget letter from the DFE and submitted after Governor approval to the DFE by the end of July.
- The budget will reflect the requirements of the Academy for the full academic year 2020 – 2021 with an indicative 3-year budget completed. The Business & Resources Manager will draw up a draft budget for the following financial year in conjunction with the Head teacher for formal agreement by the Governing Body before sending to the DFE/ESFA.
- As the Academy moves forward the normal Academy budget setting timescales as advised by the DFE, which will be adhered to as required.
- The Governing Body cannot set a budget that results in a cumulative deficit budget at the end of the financial year. If an unexpected deficit position occurs, then the Academy needs to advise the DFE/ ESFA as soon as possible.
- The Academy submits the final agreed budget, together with the assumptions underpinning the budget, to the DFE/ESFA by the specified deadline.
- The budget can only be amended for virements after it has been approved by the Governing Body and sent to the DFE/ESFA.
- Budget holders cannot exceed their budget allocation, unless they have the written approval of the Head teacher.

REPORTING FINANCIAL RESULTS

The Academy prepares accounts in the various formats required as specified in the Academies Financial Handbook its subsequent revisions and the latest Accounts Direction published by the ESFA.

Budget Monitoring Reports

The Academy's budget monitoring reports display will mirror the previous reports with the following information:

- the annual budget (approved by governors);
- the actual spend to date;
- commitments;
- the percentage of the budget spent;
- end-of-year projections.

The Business & Resources Manager carries out monthly reviews of actual performance against budget and produces a schedule explaining virements and variances. The Business & Resources Manager also produces a monthly balance sheet. The Governing Body reviews these reports once per term or more frequently if required

Budget holders receive monthly reports showing budgeted expenditure, actual expenditure and commitments

CASH FLOW

The Business & Resources Manager is responsible for preparing cash flow forecasts to ensure that the Academy has sufficient funds available to pay for day to day operations.

If significant balances can be foreseen, the Business & Resources Manager will look to invest the extra funds to provide additional non restricted income for the Academy

Similarly plans can be to re-profile General Annual Grant to cover potential cash shortages, after consultation with the DFE.

COMPUTERISED ACCOUNTING SYSTEM

The Academy has continued with the use of the Financial Management System (FMS) from Capita SIMS, having bought this prior to Academy conversion This accounting system is computerised and staff are fully aware of the processes involved.

Access to the system is restricted to the Academy's employees and those authorised by the Head teacher, the system is accessed by passwords, which are changed routinely on a monthly basis. Passwords are only known by the relevant member of staff and the system manager. Passwords are changed immediately if an employee is aware that an unauthorised person has learnt their password. If an outside provider uses the computerised accounting system, they are given their own user id and password.

Software is installed on the Academy's computer systems to detect viruses, spyware, and other malicious threats. Regular updates are used to ensure that the latest threats are detected. There is also a facility for cleaning up infected files.

Regular reviews are carried out to ensure that access rights and levels of access are still relevant to the responsibilities of individual users. Access for staff who are no longer employed by the Academy are removed as soon as the staff member leaves.

A full back up regime is in place. A full backup of the main servers is taken Data backed up includes student and staff data, Backups are stored in a secure location in a separate building to the main servers, presently in the Youth Centre.

The Academy complies with the requirements of the Data Protection Act and more recently GDPR.

Alterations to any original documents such as cheques, invoices, orders and other vouchers are made clearly in ink and initialled. The use of correcting fluid or the erasure of information is not acceptable.

All accounting records including invoices, delivery notes, bank statements etc. are retained in hard copy for six years, plus the current year, in a secure area.

Transaction processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual, the authority levels are dictated by the procurement details contained in this policy, with the Business & Resources Manager signing the orders to confirm compliance

All journal entries must be documented on the appropriate journal form or requisition.

The following list shows Academy staff who have access to the FMS system and their respective access levels, there are no financial limits as the order limits are set as above.

The list and structure is designed to ensure proper segregation of duties with no one individual being able to order, receive and pay for items purchased by the Academy.

Name	Access Level	Access Level 2	Notes
Jane Carr Science Technician	Purchase Order Input only		
Glen Drabble D&T Technician	Purchase Order Input only		
Jason Wicks ICT Technician	Purchase Order Input only		
Jayne Angell Reprographics officer	Purchase Order Input and authorise		
Anne Bowring Finance Officer	Purchase Order Input and authorise		
Katheryne Waugh Finance Officer	Purchase Order Input and authorise	Invoice Input	
Charlotte Slater Senior Finance Officer	Purchase Order Input and authorise	Invoice input and authorise	Will only authorise invoices in absence of Andrew Winch AND when not placed the order
Andrew Winch Business Manager	Authorise Invoice only		Will sign orders to confirm compliance to authority levels

The Business & Resources Manager will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The report obtained and reviewed will include

- the monthly audit trails;
- masterfile amendment reports for the payroll, purchase ledger and sales ledger;
- management accounts summarising expenditure and income against budget at budget holder level.

Reconciliations

The Business & Resources Manager is responsible for ensuring that the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- sales ledger control account;
- payroll control account;
- all suspense accounts; and
- bank balance per the nominal ledger to the bank statement.

The Business & Resources Manager will sign and date all reconciliations and or the monthly summary trial balance as evidence of review, within a period of week after the date of the month end.

The Academy has a disaster recovery plan in the event of loss of accounting facilities or financial data. This links in with the annual assessment made by the Head teacher and Business & Resources Manager of the major risks to which the Academy is exposed and the systems that have been put in place to mitigate those risks.

BANK AND CASH

Bank Facilities

The Academy has its Bank account with Lloyds Bank and will have only one account, unless there are surplus funds to invest.

Only the Governing Body can authorise the opening or closing of bank accounts.

The Academy ensures that all transactions on its bank accounts comply with DFE/ESFA regulations and with relevant, current accounting instructions and procedures issued by the DFE/ESFA.

The Academy does not overdraw its bank account or arrange with its bankers for overdrafts, loans or any other form of credit or deferred purchases. The bank has been informed that the Academy is not allowed to borrow funds and that no account should be allowed to become overdrawn. The Academy does not offer any security to the bank.

All funds surplus to immediate requirements are invested in accordance with the Governing Body's investment policy.

All cheque payments from the bank accounts require two authorised cheque signatories. There are eight cheque signatories, who are all senior members of staff, as detailed in the section below 'Authorised Signatories'. The Business & Resources Manager maintains an approved list of signatories (including specimen signatures).

Cheques are not pre signed. All cheques drawn are crossed 'account payee only'.

All chequebooks and other stationery are kept in the safe or a locked cupboard / filing cabinet. All bank statements are filed sequentially.

The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds are subject to the same level of control.

Catering monies are the property of RMBC under the PFI arrangement and are administered by them on a daily basis

The Academy now uses Parent Pay for auto payments from students and these are reconciled to Academy records and monthly to bank statements

Bank Reconciliations

All bank accounts are reconciled on a monthly basis by the Business & Resources Manager who reviews all reconciliations, signing them as evidence of review, these are countersigned by another member of the finance staff team.

Cash Banking

Cash and cheques are locked in the safe prior to banking to safeguard against loss or theft. All cash is banked intact, as soon as possible and recorded on paying-in slips. Bank paying-in slips show the split of cash and cheques and reference cheques to the related debt.

The Academy will keep a record of all banking on an excel spreadsheet which records details of cash, cheques and invoice numbers.

The vast majority of Academy income will be by auto payment via the Parent Pay internet payment system which will be reconciled on a monthly basis by the finance team. Only stationary and tie purchases will be processed via the Academy till, which will be balanced to the till receipt on a least a fortnightly basis, by one of the finance officers.

All charity collection monies must be paid direct to the Finance Office and will be entered on the FMS system that the Academy operates ease reconciliation.

All monies are kept in the safe until processing at the Bank, this will be taken by Academy staff.

The bank reconciliation process will show if there are any discrepancies between paying in details and bank receipts. Any such discrepancies should be followed up immediately by the Business & Resources Manager.

In no circumstances do cash holdings on the Academy premises exceed the insured limit.

Physical Security

All monies handed into the Finance Office are kept locked away throughout the day and in the safe overnight prior to banking. Under no circumstances should unsecured cash be left in the Finance Office.

In the event of an emergency e.g. attempted theft, evacuation of premises etc. no member of staff should put themselves at any risk to their own person.

Charge Cards

In line with the existing procedures the Academy has a charge card in the name of Wingfield Academy with Andrew Winch, The Business & Resources Manager, the authorised cardholder.

The overall limit on the card is £2500 and each transaction is limited to £500 as agreed by Governors

The use of the Card is appropriate when cost savings can be achieved, when there is no alternative source of supplier other than by the internet and also from secure sites.

The following procedures apply for the use of a charge card system:

- the Academy's card will be charged to the Academy budget account and can only be used for specific purposes;
- authorised users are established as approved by the Governing Body;
- the card must be retained in the safe in the Finance Office and released only by the Finance Administrator or Business & Resources Manager;
- any purchase requires written authority from the budget holder to action a purchase using the charge card.
- The Business & Resources Manager checks against the amounts entered and reconciled with the bank statements and charge card statements, a further check is completed by the finance officer, plus the head teacher;
- the expenses are posted to the relevant accounts;
- the balance on the card is to be paid in full each month.

BANK ACCOUNT AND AUTHORISED SIGNATORIES LIST

An authorised signatory list, including specimen signatures and covering all the key financial systems, is held in the finance office for reference purposes.

The Academy has its Bank account with Lloyds Bank and will have only one account, unless there are surplus funds to invest. The previous voluntary funds account will be closed and rolled into the one account for each of financial accounting.

Cheque and BACS authorised Signatories for Public Fund Bank Accounts – Lloyds Bank are Any 2 of: -

*Phil Davis, Head teacher

*Andrew Winch, Business & Resources Manager

*Charlotte Slater, Senior Finance Officer

Claire Wilkins, Deputy Head teacher

Kerry Wade – Deputy Head teacher

Any individual payments that require signing or approving over £10,000 require two signatures from the signatories marked *.

PAYROLL

The Head teacher formally approves all appointments, terminations and salary levels, copies of these documents are sent to the Head teacher's PA or Business & Resources Manager. The Academy has established procedures to:

- ensure personnel are competent, suitably qualified and trained to a level consistent with their responsibilities;
- provide clear statements of criteria for personnel selection;
- provide formal job descriptions;
- ensure that the cost of all appointments, regrading's and any other changes in conditions of service of staff can be met within the resources available to the Academy.

The Business & Resources Manager maintains a list of staff employed by the Academy and their current salaries.

The Academy uses the services of a payroll agent (RMBC) and the contract between the Academy and the agent includes:

- job specifications;
- responsibility for making returns to HMRC and the dates by which these returns should be made;
- details of ownership of programs and data files;
- responsibilities for the control and accuracy of data;
- details of authorised signatories for payroll amendments;
- back up provisions;
- a schedule of reports to be sent to the Academy for financial and personnel monitoring purposes;
- an agreement as to the response time and costs that will be charged for any additional data or reports required by the Academy; and
- provision for access for Academy staff and auditors.

The payroll agent processes the staff payroll only on the electronic instruction of the Business & Resources Manager first submitting a report usually around the 15th of each month of anticipated pay runs. The Business & Resources Manager then has 3 working days to ensure accuracy and advise of any inaccuracies changes to the payroll agent.

Payroll detail set-ups and amendments are sent to the payroll agent by the Finance team or Head teacher's PA who have job responsibility for this process.

Payments are made as follows:

- net payments to staff, by BACS, to employees of the Academy;
- HMRC payments, by the payroll agent, to HMRC;
- Teachers' pensions payments, arranged through the payroll agent;
- Local Government Pension Scheme payments, by the payroll agent
- Any voluntary reductions e.g. Westfield Health, AVC's are also submitted by the payroll agent
- overtime claims, as part of net payments to staff, through the payroll;
- expense payments, through the payroll.

Access to personnel files is restricted to the Head teacher, Business & Resources Manager and selected members of the HR and finance staff.

No individual is treated as 'self-employed' without the clearance of HMRC.

Our payroll agent RMBC, at Riverside House, ROTHERHAM S60 1AE and our contact there is Lorraine Schmidt or Eddie Bartholomew, on 01709 334242

The pay day schedule is usually the 26TH of each month, however if this falls on a weekend or bank holiday it will be the previous working day.

Monthly Procedures

Starters, leavers and amendments to salary (including changes in hours) are approved by the Head Teacher and input onto the secure personnel portal by either the head teachers PA or the senior finance officer. These are checked by the Business & Resources Manager.

Staff provide details of any additional payments required on the appropriate forms, the forms are signed by the individual, their line manager and then passed to the Head teacher for authorisation. All payments for travelling expenses must be claimed on the appropriate form with receipts attached. These are paid through the payroll. Mileage for anything other than travelling between home and work is paid free of tax. Any staff claiming motor mileage must have a MOT certificate (vehicles over 3 years old), motor insurance which includes cover for business use and a valid driving licence.

The finance office ensures that expenses and overtime have been validly incurred and appropriately authorised. Claims are not returned to claimants after this check has been carried out;

The finance office forwards authorised claims to the payroll agent, for payment they need to be sent by the 5th of the month they need paying in;

The Business & Resources Manager and a finance officer (who has not had input the original contract details) check the payroll printout (costing report) received from the payroll agent to ensure that it is only paying its own staff at the correct rates, any errors are reported and amended for the final pay run;

A monthly print-out (final payroll report) of amounts paid to employees is retained by the Academy and initialled by the Business & Resources Manager and the Head teacher as evidence of the checking and authorisation procedure;

The Head teachers PA and the Business & Resources Manager check gross pay as per the payroll to personnel records annually, issuing staff with an annual salary statement.

Failure to the Payroll System

Monthly salary payments are transmitted via the payroll agent. Who uses the BACSTEL process which debits the Academy bank account on the day that staff are paid.

The Academy's bank has been consulted regarding a possible failure to the payroll system or the usual method of transmission. In the event that pay details could not be transmitted to the bank via the usual system, the payroll database would be emailed directly to the bank and the content checked via telephone. The bank would arrange payments directly.

In the event of total IT failure at the Academy, payments would be discussed directly by telephone with the payroll agent.

PURCHASING

The Governing Body makes their buying decisions in accordance with the principles of "best value" probity and accountability. Contracts are placed on a competitive basis and the reasons for selecting a supplier are documented.

Divisible contracts are prohibited.

The Health and Safety competence of contractors is assessed, taking into account the policies and procedures of the DFE/ESFA. Only contractors registered with their professional or trade association are employed to carry out major work at the Academy.

Approved Suppliers

The finance office maintains a database of approved regular suppliers. Where possible the Academy uses well known and respected suppliers, with references where necessary.

The finance office selects suppliers on the basis of their capacity to provide quality, quantity, service, timely delivery and price competitiveness. Volume discounts and credit terms are taken into account. Consortia are used where they provide value for money.

Suppliers are selected from:

- business directories;
- trade journals;
- supplier catalogues and mailshots;
- previous experiences
- information from other academies;
- information provided by the DFE/ESFA.

Tendering

All purchases with a value of £20,000 or more are put out to formal tender.

The Academy advertises throughout the member states of the European Community where there is a legal requirement to do so.

Where appropriate, the suppliers invited to tender are drawn from the approved list maintained by the finance office.

Where required by the conditions attached to a specific grant from the DFE/ESFA, the department's approval must be obtained before the acceptance of a tender.

The following tendering procedures are followed:

- the budget holder prepares a specification, which is authorised by the Head teacher and sent to at least four suppliers;
- the invitations to tender include:
 - an introduction/background to the project;
 - the scope and objectives of the project;
 - any technical requirements;
 - implementation details for the project;
 - the terms and conditions of the tender;
 - the form and date of response to the Academy.
 - The use of brand names is avoided and, where appropriate, a European or British Standard or other quality guideline is sought.
 - Reference is made to appropriate safety standards and fire and health and safety regulations.
- all replies are addressed to the Head teacher in a plain sealed envelope marked "Tender";
- no supplier is allowed to amend their tender after the fixed date for receipt;
- all tenders are opened at the same time by staff authorised to do so.
- Two persons should be present for the opening of tenders as follows will be completed by the Head teacher and the Business & Resources Manager or a member of the governing body.
- The following information is recorded:
 - the date and time of opening;
 - the names and signatures of those present;
 - the value of each tender;
 - details of suppliers who declined the invitation, or failed to submit a tender;
 - any omissions in the submission, e.g. documents, signatures, missing data;
- late tenders are rejected and retained unopened until the contract is awarded. They are then returned to the tenderer with an explanatory note;
- where contracts under seal provide for payments to be made in instalments, the Head teacher ensures a contract register is maintained which shows the state of the account on each contract together with related professional fees and other payments;
- the decision as to which tender to accept is made by the full Governing Body;
- the reasons for accepting a particular tender are in accordance with the Academy's best value policy;
- the following points are considered when deciding which tender to accept:
 - suppliers;
 - qualifications, technical ability and experience;
 - pre-sales demonstrations;
 - after sales service;

- quality procedures;
- references from existing customers;
- financial status;
- professional indemnity insurance;

- cost;
 - overall price;
 - unit price for parts of the product or service;
 - the possibility of 'hidden costs';
 - scope for negotiation.

Quotations

Quotations are obtained as follows:

Purchases up to £5,000: Whilst there is no formal agreement, to mirror the previous processes, the Academy will look to demonstrate best value and it is anticipated that purchases above £1,000 will include shopping around and the obtaining of at least 2 separate quotations. These will be either written or verbal and will be recorded.

Purchases of £5,001 to £20,000: – three written quotations.

Purchase over £20,001 – subject to aforementioned tender process

The Academy keeps a record of suppliers who have been contacted but who have declined to provide a quotation.

Purchase Orders

Computerised, pre-numbered orders are used for all goods and services and all orders are placed through the finance office.

Orders are only made by telephone in exceptional circumstances, where this is necessary a requisition form is completed immediately afterwards, is signed by the budget holder and passed to the finance office.

Staff are not permitted to make internet orders prior to a requisition or a charge card purchase request having been completed.

A copy of any spoiled order is retained on the computer, and marked as such.

Official Academy orders are not generated for the private use of individuals.

The Ordering Process

A FMS purchase order form must be raised for all goods and services prior to when the order is placed except: -

- Supply Staff
- Utility bills, including mobile phone bills
- Staff / Pupil re-imburement

o Emergency repairs

The budget holder raises and signs a requisition or ends an e-mail confirmation form stating the number of items and price of the order to be raised, the budget holder sends the requisition to the Finance Officer who checks that the budget holder has sufficient funds for the purchase.

The finance system will not allow an order to be placed if the budget has insufficient funds. The Finance Officer will change the supplier if he/she knows of a cheaper supplier and will inform the budget holder of the change;

For orders relating to ICT equipment or software the budget holder must seek approval from the ICT Manager before the requisition is submitted

Prior approval from the Governing Body must be obtained before any commitment is entered into by the Academy which is £20,000 and over. The Terms of Reference for the Finance Committee also require that committee to authorise any capital purchase £10,000 and over.

Official orders are raised by the Finance Officer and the Business & Resources Manager authorises all orders on the computerised system and signs or initials the requisition form;

The Finance Officer generates a three-part official computer order and signs the order form; the finance office distributes the copy orders as follows:

- top copy (official order) to the supplier;
- the second copy is sent to the budget holder;
- the third copy is retained in the finance office

The computer records all orders placed that have not yet been invoiced. The finance office provides a list of orders to the relevant budget holders on request;

Cancelled orders are marked as such, with the reason for cancellation, and retained in the finance office.

Where an invoice is to be paid pro-forma or by charge card it is the responsibility of the budget holder to ensure that the goods are received

Staff are discouraged from using personal funds to buy goods over the value of £30.

Under no circumstances should any member of staff other than the Head teacher or designated member of staff sign any contract document provided by a supplier

Prior to requesting services of an individual the Business & Resources Manager performs an Employment Status Indicator check <http://www.hmrc.gov.uk/calcs/esi.htm>. The Business & Resources Manager decides whether payment to that individual is to be paid as a self-employed person or as an employee through the payroll.

Inspection Copies

The Budget Holder should complete a requisition form immediately when they decide to retain the inspection copy. If on receipt of the item it is not required, then the item should be returned as soon as possible and proof of postage obtained.

It should be noted that the majority of companies will expect the Academy to pay for the return of an inspection copy where the copy has been requested.

Staff Development Courses

Staff requesting training should complete a request to the Assistant Head member of SLT in charge of CPD.

The Assistant Head will ensure that there is sufficient budget to meet the costs. Notification of authorisation will be sent to the member of staff via e-mail and they need to advise the staff member in charge of Cover.

If the supplier requests payment in advance of the training, please pass the documents to the Finance Office for processing.

If the course is cancelled staff must advise both the member of staff in charge of cover and also the finance office to cancel the order.

Deliveries

Suppliers deliver to the Finance Office or Reception in the event of staff being unavailable in that office.

The finance team distributes the goods to the relevant department, any item that needs recording on the Academy Inventory is done so prior to the distribution by the Finance or ICT team.

All goods received are delivered to the department and a member of that department carries out a prima facie check to ensure that the delivery is complete and signs the delivery note which is sent to the finance office;

The department or finance office follows up any shortages or defective items with the supplier;

Receipt of Goods

No deliveries may be made to a member of staff's home address.

Purchase Invoices

The finance office grid stamps the invoice and passes it to the budget holder for approval;

The finance office checks the invoice against the order and delivery note and evidences this on the grid stamp.

Payment of Invoices

The finance office reviews the creditors' ledger regularly and selects invoices for payment. It is the policy of the Academy to pay all invoices by the due date and to take advantage of any discounts available for early settlement where this is to the Academy's advantage.

Invoices are paid within 30 days unless they are disputed.

Payment is made when the finance office has made the following checks:

- the purchase is recorded on the purchase ledger;
- the purchase represents valid Academy expenditure;

- goods or services were ordered using the Academy's ordering policy;
- goods or services have been received and checked to the order and delivery note;
- payment has not already been made;
- prices agree with quotations, tenders, contracts or catalogue prices;
- the arithmetic on the invoice is correct;
- the invoice has been correctly coded;
- discounts have been taken where applicable;
- VAT is properly accounted for and not claimed on pro-forma invoices.

The finance office completes the relevant sections of the grid stamp. The Business & Resources Manager authorises payment, having ensured that the budget holder has signed the order and that all of the Academy's procedures have been followed.

Credit Notes

Credit notes are matched to the relevant invoices when they are received and the refund taken when the supplier is next due a payment.

BACS Payment

All supporting documentation is passed to the BACS authoriser together with the payment run master sheet for signing. Each authoriser uses their own individual card and pin number to process the payments on the Lloydslink system or the replacement Lloyds Commercial Banking Online

Each authorised invoice will have upon it the Academy pro forma which shows all checks have been made, details of the budget, the date and the BACS run number and this is signed by the individuals authorising the BACS run.

Cheque Payment

All supporting documentation is passed to the cheque signatories together with the cheque for signing.

Each authorised invoice will have upon it the Academy pro forma which shows all checks have been made, details of the budget, the date and the cheque number and this is signed by the individuals signing the cheque.

Completeness of Supplier Balances

Invoices and credit notes are posted to the computer as soon as the Academy receives them after authorising by the budget holder.

The finance office reconciles individual supplier balances to supplier statements, where available, on a monthly basis.

Controls Over Expenditure

Individual budget holders are able to authorise for goods and services up to £5,000 (for individual items) and within their budget. Authorisations over £5,000 (for individual items) and up to £20,000 must be authorised by the budget holder and the Head teacher or Business & Resources Manager.

Virements

Virements (internal transfers) of up to £20,000, may be authorised by the Head teacher. For virements over £20,000, consultation is required with the Head teacher and agreement sought from the Governing Body who may authorise any virement of funds from the contingency.

Budget Holders

Budget holders are informed of the budget available to them within one month of the actual funding notice been received by the Academy. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent.

A print, in the form of a cost centre transactions report, detailing actual expenditure against budget is supplied to each budget holder a week after the end of each half term and budget holders are encouraged to keep their own records of orders placed but not paid for.

PETTY CASH

Petty cash is used for the purchase of minor items, which have been budgeted for. The petty cash float is maintained on the FMS system and the maximum balance is £250. The float is only reimbursed from the main bank account. The petty cash tin is held in the safe.

Payments from petty cash are only made on production of a till receipt or other proof that payment has been made and cannot exceed £50 in value. A petty cash claim form is completed by the claimant. Petty cash payments are subject to the same authorisation procedures as purchases from the main bank accounts. They are passed for payment by the Business & Resources Manager. The person receiving reimbursement signs for the amount received.

Petty cash may be taken on Academy visits but this will be separate to this petty cash process.

The petty cash float is reconciled on a monthly basis by the Finance Officer. The reconciliation is checked by the Business & Resources Manager and initialled as evidence of this review. The Business & Resources Manager carries out a surprise count of petty cash at least once a year.

In no circumstances are:

- personal cheques cashed through petty cash;
- staff loans paid through petty cash.

INCOME

The Governing Body has overall responsibility for ensuring that all income due to the Academy is properly accounted for.

Day-to-day responsibility for this is delegated to the Business & Resources Manager.

Income, including valuations for donated services and gifts in kind, is accounted for in accordance with the requirements set out in the Academies Financial Handbook.

Charging policies

Please also refer to the Charges and Remissions Policy re charging for school activities which is posted on the school website.

The intention is always to ensure that anything we have to charge for is self-financing. If there are insufficient contributions, then the activity may have to be cancelled. There may be occasions where student subsidies will be allowed from Pupil Premium monies or as a part of a rewards programme.

Visits

Visit organisers and accompanying staff (as supervisors) can claim for eligible expenditure for any visit they attend. Eligible expenditure covers expenses such as theatre tickets, accommodation costs and travel. This applies to staff included within the agreed staff-pupil ratio. Any extra staff would need to cover their own expenses in certain circumstances (e.g. tickets to sporting occasions).

Letters are sent to parents requesting payment for voluntary contributions.

All monies received for visits are via the Parent Pay internet system the Finance Office and will review the system and obtain reports if required. The finance office is responsible for keeping adequate records of income and expenditure (on a class list) using reports produced by the Parent Pay system.

The finance office prepares a final income and expenditure account for each visit which has taken place.

Music

Charges are set in April each year to take effect from the following September.

Controls Over Incoming Funds

All receipts are issued by the Finance Office for cash income, receipts will also be issued via the Academy till and via the Parent Pay system for visits.

Invoiced income will be marked against the invoice to which it relates to, and that invoice will be marked paid and dated. The invoice will be input as paid on the FMS system by the Business & Resources Manager.

Fund-Raising Events

Records are maintained for each fund-raising event, in sufficient detail to identify gross receipts and how they have arisen, and all costs incurred.

For all events for which there is ticket income or gate money, reasonableness checks are carried out to ensure the takings equate to the number of tickets issued multiplied by the price per ticket. Similar records are maintained for sponsored events.

Letting of Academy Facilities

The Academy has its own Lettings Policy and the processes are documented in this.

All lettings are subject to a letting agreement, setting out the terms and conditions of the Academy letting, including the agreed charge.

The Governing Body approves letting rates. Free use and charges below economic cost may be permitted in certain instances if approved by the Head teacher. Charges are set in the Spring term to take effect from the following September.

- All hiring of Academy equipment and facilities is recorded on the letting spreadsheet kept by the Finance Office;
- the lettings spreadsheet is reviewed by the Finance Officer on a weekly basis to ensure that all lettings have been invoiced;
- when a letting is booked the hirer completes a hire form;

- the finance office generates sales invoices from the computer;
- all monies received are banked as soon as received;
- one member of the finance office collects the cash and banks all receipts intact;
- the Academy ensures that relevant insurance is in place for each letting.

Completeness of Income

Exam Fees

The Exams Officer collects the payment from external candidates and brings it to the finance office to issue a receipt.

The payments are then banked.

Music Tuition Fees

These are invoiced termly in advance after the student has completed the 3-week free taster.

Private use of facilities

Members of staff should pay for using the telephone system for personal reasons, the money is recorded on a form in the Finance Office.

Reprographic use is invoiced and receipted directly by the Finance Office.

Bad Debts

The Academy chases all money due to it, which has not been paid within 30 days of an invoice being issued, by telephone and letter, depending on how much time has elapsed since the money was due to be paid. If a debt remains unrecoverable after one year, or, if during the year, it becomes clear that the debt will remain unpaid, authority to write off the debt is as follows: -

- Up to £100 Business & Resources Manager
- £101-£500 The Head teacher
- Over £501 The Governing Body

Bad debts are only written off when the Academy has followed all reasonable practical procedures to ensure their recovery.

The DFE/ESFA's prior approval is obtained if debts to be written off are above the value set out in the annual funding letter.

Debt escalation protocol – other companies and individuals

- First statement sent if invoice remains unpaid after 30 days.
- Second statement sent if invoice remains unpaid for a further 14 days.
- Recovery letter sent if invoice remains unpaid for a further 14 days.
- Referred to Finance Governors at next available meeting if invoice still remains unpaid.

Debt escalation protocol – visit payments

- Memo to visit organiser of any debts outstanding after closing date of final payment.
- First letter home if visit organiser has not managed to contact parents after 7 days.

- Second letter home if payment not received after 7 days.

FIXED ASSETS

Asset Register

The Finance Office and ICT Manager maintain the asset registers. The Academy includes details of all single assets with a cost greater than £50, with items over £500 treated as capital items and will show as such in Academy financial records.

The register records:

- asset description;
- asset number;
- serial number;
- date of acquisition;
- asset cost;
- depreciation;
- current book value;
- location;
- name of member of staff responsible for the asset.

Items used by the Academy but owned by others are included, with a note of ownership. Leased items are identified as such with the termination date of the lease.

The Business & Resources Manager checks that the asset register has been maintained twice annually and will invite Governors to perform an independent verification at least annually. Any discrepancies are investigated and reported to the Head teacher who informs the Governing Body of the loss and any known reason for this. The insurers are notified as appropriate.

Any assets removed from the Academy site are recorded in a loan book.

The length of time the asset will be off site is recorded together with the appropriate authority. The appropriate authority is the budget holder for items with a value of under £500 and then the Business & Resources Manager or in the case of ICT equipment, the ICT Manager. The finance office checks that assets will be insured before they are removed from the Academy. No assets are removed from the Academy for a period of time, which would unreasonably deny the Academy use of those assets.

All electrical assets are security marked.

Disposal of Assets

All disposals and write-offs of assets are authorised by the Business & Resources Manager up to £250, the Head teacher up to £10,000 and the Governing Body over £10,000.

The Finance Office will record the disposal and ensure the inventory is updated accordingly

Items no longer required are sold when their estimated residual value exceeds £500.

The Academy must seek the approval of the DFE/ESFA in writing if it proposes to dispose of an asset, or group of assets, for which capital grant in excess of £20,000 was paid.

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/ESFA a proportion of the sale proceeds

All disposals of land must be agreed in advance with the Secretary of State.

The following records are kept for disposals:

- the item disposed of;
- the date of disposal;
- the method of disposal;
- the proceeds of sale or how disposed of if scrapped;
- the person authorising the disposal.

No item is sold, leased or hired to a third party without the approval of the Business & Resources Manager.

Losses

All losses are reported to the finance office. The finance office informs the police if the loss is a result of burglary or theft and the insurance company is informed at the same time. Action is taken immediately to prevent further loss.

The finance office maintains a record of losses and insurance monies received.

The Governing Body is informed of all losses.

Depreciation of Assets

In line with the Academy Accounting Policy assets will be depreciated as follows:

Long Term Leasehold Property – over Economic life of the buildings on conversion
Motor vehicles - 5 years' straight line
Fixtures and fittings - 4-5 years' straight line
Computer equipment - 3-4 years' straight line

STOCK

The Academy has no stock of significant value, the only items sold in the Academy are stationary items which have little value due to the low amounts held and high turnover.

LEASING

The Head teacher or Business and Resources Manager are responsible for approving all leasing and hiring arrangements.

No leased item is disposed of without the express permission of the leasing company. This includes sale, part exchange, scrapping, writing off, donating, re-leasing, subletting or any other form of disposal.

The Academy may not enter into any lease agreement to dispose of land and property without the approval of the DFE/ESFA.

INVESTMENTS

Investments are made only in accordance with these written procedures approved by the Governing Body.

Investments will always be on a no risk basis, ensuring the Academy has sufficient cash available to meet its daily requirements for payment of salaries/ suppliers etc. The investment of cash monies will be controlled to offer a greater return, for example using notice accounts to obtain greater interest return and will be controlled by the Business & Resources Officer who will in turn report to the finance committee on the returns and actions to achieve this return.

Investments are recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment.

Additional procedures may be required to ensure any income receivable from the investment is received.

PRIVATE FINANCE INITIATIVE (PFI)

The Academy is part of the Rotherham PFI arrangement and as at December 2015 this has 20 years left to run. The Academy is bound by the arrangement which includes payment from its delegated budget for the following services under its contractual obligation:

- Grounds Maintenance
- Building Maintenance
- Cleaning and Caretaking
- Catering subsidy and Free School Meals charges
- Buildings Insurance for the main Academy building

The costs are set by RMBC and the Academy has no negotiation ability on these costs, which increase annually by the RPIX as at February annually.

The Academy also contributes a set amount each year towards the Rotherham contract deficit which is directly funded by the DFE and set annually by the Local Authority