



# Finance Policy and Procedure Manual



Status		
Responsible Directors' Committee		
LGB Committee		
Responsible Persons		
Date Policy Agreed		
Last Review Date		
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Policy Category (Please Indicate)	1	
	2	
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# Contents



<b>Glossary</b>	2	12.1 Processing of Invoices	20
Finance Policy and Procedures Manual	4	<b>13 Other Purchases</b>	21
<b>1. Introduction</b>	4	13.1 Internet Purchases	21
<b>2. Principles</b>	5	13.2 Reimbursements to individuals	21
<b>3. Organisation and Responsibilities</b>	6	13.3 Purchase of alcohol	21
3.1 Reporting structure	6	<b>14 Income</b>	22
3.2 Trustees	6	14.1 Income collected by the academies	22
3.3 Board of Directors	6	14.2 Trips / Activities	22
3.4 Finance & Operations Committee (FOC)	7	14.3 Lettings	22
3.5 Audit and Risk Committee	7	14.4 Cash and security	22
3.6 Local Governing Boards (LGB)	8	14.5 Debtors	23
3.7 Chief Executive Officer (CEO)	8	<b>15. Cash Management</b>	24
3.8 Academy Business Managers (ABM) and MAT Chief Financial Officer (CFO)	9	15.1 Bankers	24
3.9 Approved Administration Support (AAS)	10	15.2 Deposits	24
3.10 Internal Audit	10	15.3 Payments and withdrawals	24
3.11 Register of Business Interests	11	15.4 Bank Reconciliations	24
3.12 Related Party Transactions	11	15.5 Cash Flow Forecasts	24
<b>4. Financial Planning</b>	12	15.6 Investments	24
<b>5. Annual Budget</b>	12	15.7 Reserves	24
5.1 Budget setting	13	<b>16. VAT</b>	25
5.1 ELP Budget Setting and Monitoring Process		16.1 VAT 126 Claims	25
5.2 Budget conditions	14	16.2 VAT Registration	25
<b>6. Budget Management</b>	14	<b>17. Fixed Assets</b>	25
<b>7. Accounting Systems</b>	15	17.1 Capitalisation	25
7.1 Financial Accounting System	15	17.2 Depreciation	25
7.2 Transaction Processing	15	17.3 Security of Assets	25
7.3 Accounting for 'Other' Income	15	17.4 Disposal of Assets	25
<b>8. Payroll</b>	16	<b>18. Computer Systems</b>	26
8.1 Staff Appointments	16	<b>19. Reporting to the DfE</b>	26
8.2 Payroll Administration	16	19.1 Annual Accounts Return (AAR) and Whole of Government Accounts	26
8.3 Payments and Monitoring	16	19.2 The Annual Budget	26
<b>9. Value for Money (VFM) Procedures</b>	17	19.3 Statutory Year End Accounts/ Annual Accounts	26
9.1 Orders of £5,000 and below	17	<b>20. Self Assessment of Management and Governance</b>	27
9.2 Orders over £5,001 but less than £100,000	17	21. External Auditors	27
9.3 Orders over £100,001 up to EU (OJEC) thresholds	17	<b>Appendix 1.</b>	
9.4 Orders over EU (OJEC) Threshold	17	SCHEME OF DELEGATION AND FINANCIAL AUTHORITIES	28
<b>10. Forms of Tender</b>	18	<b>Appendix 2.</b>	
10.1 Open Tender	18	ANNUAL FINANCE PLANNER	34
10.2 Restricted Tenders	18	<b>Appendix 3:</b>	
10.3 Negotiated Tender	18	CURRENT OFFICERS AND APPROVED PROVIDERS	37
10.4 Preparing for Tender	18	<b>Appendix 4:</b>	
10.5 Invitation to Tender	18	ORDER AND PURCHASING PROCESS	37
10.6 Aspects to consider	18	<b>Appendix 5:</b>	
Financial	18	MONTH END CHECKLIST (TO BE COMPLETED BY ALL ACADEMIES AS PART OF MONTH END PROCEDURES)	38
Technical	18	<b>Appendix 6:</b>	
Other considerations	18	ELP BUDGET SETTING AND STRATEGIC PLANNING MEETINGS	39
10.7 Tender Acceptance Procedures	18		
10.8 Tender Opening Procedures	18		
10.9 Tender Evaluation Procedures	19		
<b>11 Purchasing</b>	19		
11.1 Orders for Goods and services	19		
11.2 Delivery of Goods and Services	20		
<b>12 Payment of Accounts</b>	20		

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# Finance Policy and Procedures Manual

## Glossary

AAS	Approved Administration Support (clerical & finance staff.)
ABM	Academy Business Manager
AO	Accounting Officer
ARC	Audit & Risk Committee
BACS	Bankers' Automated Clearing Services
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DCEO	Deputy Chief Executive Officer
DfE	Department for Education
ELP	Exceed Learning Partnership
ESFA	Education & Skills Funding Agency
FO	Finance Officer
FOC	Finance & Operations Committee
LGB	Local Governing Boards
MAT	Multi-Academy Trust
RMBC	Rotherham Metropolitan Borough Council
SLT	Senior Leadership Team



## 2. Principles

The Board of Directors ("The Board") will manage their affairs in accordance with the high standards detailed in 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with the seven principles of public life

### Selflessness

Holders of public office should take decisions solely in terms of the public interest.

### Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance or their official duties.

### Objectivity

In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merits.

### Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### Openness

Holders of public office should be as open as possible about all decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interests clearly demand.

### Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.

### Leadership

Holders of public office should promote and support these principles by leadership and example.



## 1. Introduction

The purpose of this policy is to ensure that Exceed Learning Partnership ("The MAT") maintains and develops systems of financial control, which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the MAT's Funding Agreement with the Department for Education

The MAT must comply with the principles of financial control outlined in the 'Trust Handbook' published by the DfE. This policy expands on that guidance and forms the manual detailing information on the MAT accounting procedures and systems. It should be read by all staff involved with financial systems and accountability.

This policy is supported by other ELP policies which provide guidance of other finance-related issues:

- | Pay Policy
- | Anti- Fraud and Corruption Policy
- | Gifts and Hospitality Policy
- | Scheme of Delegation
- | Charging and Remissions Policy
- | Debt Recovery Policy
- | Whistleblowing Policy
- | Reserves Policy
- | Recruitment Policy
- | Funding Agreement
- | Articles of Association
- | Risk Management Policy
- | Competitive Tendering and Procurement Policy
- | Dinner Money Policy
- | Credit Card Policy
- | Investment Policy
- | Reserves Appeals Policy



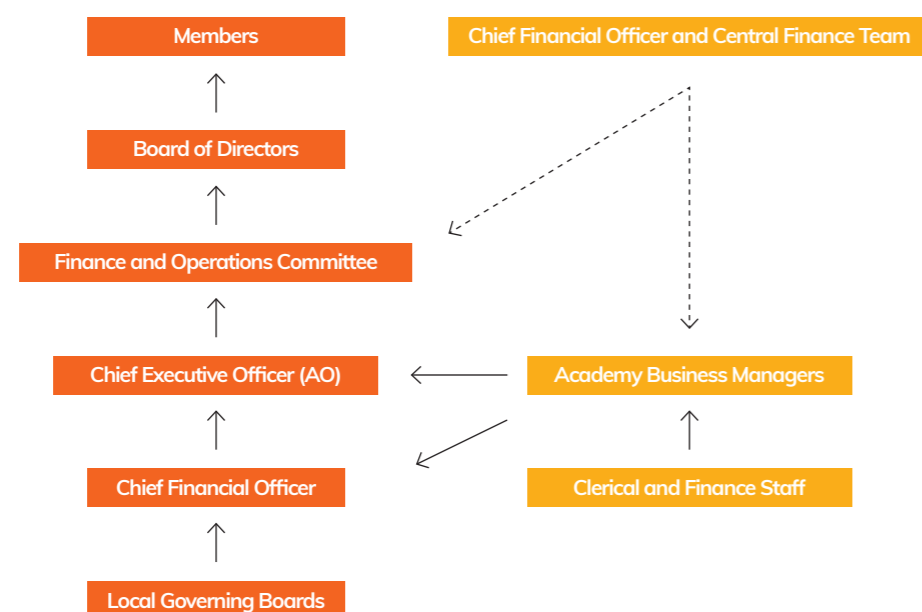




### 3. Organisation and Responsibilities

The Board has defined the responsibilities of each person involved in the administration of ELP and its academies' finances to avoid the duplication or omission of functions and provide a framework of accountability for the Board, LGBs and staff.

#### 3.1 Reporting Structure



#### 3.2 Trustees

Members have the final accountability for the MAT's finances, including receipt of the Annual Statutory Accounts before submission to the ESFA.

#### 3.3 Board of Directors

The Board has overall responsibility for administration of the MAT's finances. The main financial responsibilities of the Board are prescribed in the Funding Agreement between the Academy and the DfE. The main responsibilities include:

- i. Ensure the grant from the DfE and other Restricted funding is used for the purposes intended
- ii. Approval of the annual budget and any material changes

- iii. Ensure a Scheme of Delegation is in place
- iv. Ensure assets are managed
- v. Ensure accurate accounting records are maintained
- vi. Ensure the budget monitoring statements are a true and accurate record on income and expenditure
- vii. Approval of the Annual Statutory Accounts
- viii. Approval ELP Financial Regulations, including appropriate finance policies



### 3. Organisation and Responsibilities (continued)

#### 3.4 Finance & Operations Committee (FOC)

The main financial responsibilities of the FOC are detailed in their terms of reference, these include:

- ) Initial review and recommendation to the Board of the annual budget;
- ) Regular monitoring of actual expenditure and income against budget;
- ) Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- ) Authorising the award of contracts up to the amount stated in the Scheme of Financial Delegation;
- ) Reviewing the reports of the Internal and External Auditors on the effectiveness of the financial procedures and controls. These reports must also be reported to the Board.
- ) To review the financial policies of the MAT and where necessary make recommendations to the Directors

#### 3.5 Audit and Risk Committee

A separate audit and risk committee has been implemented to ensure separation of duties. The main responsibilities include:

- ) reviewing the Trust and Local Governing Board (LGB) Risk Registers and advising the ELP Board on the adequacy and effectiveness of the governance, risk management, financial and internal control arrangements
- ) identifying on a risk-basis (with reference to its risk register) the areas for review each year, modifying the checks accordingly. For example, this may involve greater scrutiny where procedures or systems have changed
- ) identifying and bringing to the attention of the Board of Directors all risks categorised as AMBER or RED with the improvement of a three-year action plan
- ) Reviewing the effectiveness of the Trust's internal control system established to ensure that the aims, objectives and key performance targets are achieved in the most economic, effective and environmentally preferable manner
- ) ensuring that the Trust's internal audit service meets or exceeds the standards specified in the Government's internal audit manual, and complies in all other respects with these guidelines and meets agreed levels of service







### 3. Organisation and Responsibilities (continued)

#### 3.6 Local Governing Boards (LGB)

The LGB has some powers and responsibilities for some financial and related issues delegated to it by the Board (See ELP Scheme of Delegation and Financial Authorities– Appendix 1) which it should exercise either directly or through a formally constituted finance committee. The responsibilities delegated to LGBs of individual academies include:

- ) Identify those additional services to be procured on behalf of individual academies;
- ) Develop and propose the individual academy budget to the Directors;
- ) Approve the first formal budget plan each financial year;
- ) Monitor monthly expenditure;
- ) Approve any change between budget headings and/or likely budget overspends; in line with the scheme of delegation
- ) Propose financial decisions levels and limits;
- ) Enter into contracts (Directors may wish to agree financial limits) up to the limits of delegation and within an agreed budget.
- ) Review the financial and operational risks at Academy Level
- ) Monitor and review the academy risk register on a termly basis

- ) Authorising contracts up to the amount stated in the Scheme of Delegation.
- ) Reporting these decisions to the FOC.
- ) Authorised signatory as detailed in the scheme of delegation.
- ) Credit (purchasing) card holder.

The funding agreement identified the CEO as the Accounting Officer who is personally responsible to the Board for:

- ) Ensuring regularity and propriety
- ) Prudent and economic administration
- ) Avoidance of waste and extravagance
- ) Efficient and effective use of available resources; and
- ) The day to day organisation, staffing and management of the Trust

The Accounting Officer has the duty to take-action, if the Board or Chair is contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Board, details sent to the Secretary of State for Education and the Trust's external auditors.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities.

#### 3.7 Chief Executive Officer (CEO)

The CEO has overall executive responsibility for the academies. The CEO retains responsibilities for:

- ) Approving SLT appointments within the authorised establishment.
- ) Reviewing staffing structures within the academies and Trust Central Team.
- ) Receiving and reviewing the academy budgets
- ) Receiving and reviewing the month-end accounts



### 3. Organisation and Responsibilities (continued)



#### 3.8 Academy Business Managers (ABM), Trust Finance Officer (FO) and MAT Chief Financial Officer (CFO)

The CFO and ABMs work in close collaboration with the Principals through whom they are responsible to the Board. The CFO has direct access to the FOC and ABMs. The main responsibilities of the CFO and ABMs (or delegated alternatives) are:

Responsibility	CFO	ABM	Trust FO
Close collaboration within the MAT to facilitate effectiveness of MAT functions and responsibilities;	✓	✓	✓
The day to day management of financial issues including the establishment and operation of suitable accounting systems;	✓	✓	✓
The management of academies' financial positions at an operational level;		✓	✓
The management of academies' financial positions at a strategic level	✓		
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;	✓	✓	✓
Preparation of monthly management accounts	✓	✓	✓
Ensuring forms and returns are sent to the DfE in line with their reporting deadlines.	✓	✓	✓
Signing cheques / authorising BACs in accordance with the bank mandates	✓	✓	
Liaison with payroll, preparation of staff claims and reconciliation of payroll data from the MAT's payroll service provider.	✓	✓	✓
Management of MAT and academies' Service Level Agreements	✓	✓	✓
Authorising orders and the award of contracts up to the amount stated in the Scheme of Delegation and Financial Authorities (Appendix 1)	✓	✓	
Credit (Purchase) card holder	✓	✓	
On-line banking & BACS authorisation	✓	✓	✓

The proportion of each activity undertaken by the CFO and / or ABM is detailed in the Financial Process and Procedures, including but not limited to the month-end checklists.







### 3. Organisation and Responsibilities (continued)

#### 3.9 Approved Administration Support (AAS)

AASs can be approved Clerical or Finance staff at each academy who will work in close collaboration with ABMs and are directly responsible to the ABMs. The main responsibilities, which will be determined internally by each academy, are detailed in the following sections of the policy. All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Trust Handbook.

#### Department Budget Holders

Budget holders will be identified within each of the academies. Budgets will be set by the ABM and Principal, and agreed by the CEO and FOC. Budget holders will be notified of their budget for the academic year, as part of their responsibilities they will:

- Manage the budget delegated
- Ensure all goods and services are procured in accordance with the Trust Handbook
- Ensure economy, efficiency and effectiveness in the use of resources and for complying with the Trust financial procedures and 'best value' principles
- Be responsible for the security of academy property, avoiding loss or damage

#### 3.10 Internal Audit

Checks and balances need to be put in place to ensure that the financial management arrangements within ELP are monitored. The DfE (Department for Education) requires an Internal Auditor to be appointed.

The Internal Auditors are appointed by the Audit & Risk Committee (ARC) and are intended to provide an independent oversight of the MAT's financial affairs. The main duties of the Internal Auditors are to provide the Board with on-going independent assurance that:

- The financial responsibilities of the Board are being properly discharged;
- Resources are being managed in an efficient, economic and effective manner;
- Sound systems of internal financial control are being maintained; and
- Financial considerations are fully considered in reaching decisions.

The Board has appointed an independent external body to independently undertake these duties. A programme of checks will be agreed with the ARC and the auditors will carry out financial reviews in order to provide the ARC, and indirectly the DfE, with the required assurance. These reviews will be undertaken at least twice a year for the Trust. The Auditors will undertake the checks and balances in line with the recommendations shown in the Trust Handbook.

General areas for review will cover the following:

- Review that bank reconciliations have been carried out each month
- Review of monthly payroll to ensure that any changes have been appropriately authorised and agreed (referring to Board, FOC, and LGB minutes.)
- Check sample orders to delivery notes and/or invoices to ensure that the documentation is complete and has been appropriately checked and authorised.
- Check of sample payments back to invoices, orders and/or delivery notes to confirm they are bona fide purchases.
- Check the month-end procedures are carried out with appropriate sign-off
- Review a sample of expense claims to ensure the appropriate documentation to support the claim and that the claim is appropriately authorised.



### 3. Organisation and Responsibilities (continued)

- Review returns to DfE to ensure the information supplied is consistent with the underlying records and internal management reports.
- Carry out spot checks of petty cash balances and supporting vouchers
- Review all major contracts and ensure formal tender procedures exist and are being followed.

The Internal Auditors will produce a full report after each visit to the CEO who will report findings of each visit to the ARC and these will be reported back to the Board.

#### 3.11 Register of Business Interests

It is vital that Directors, members of the LGBs and staff act, and are seen to act, impartially. All members of the Board of Directors and Governors are therefore required to complete a declaration of business interests. All staff are also required to complete the declaration.

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parent, spouse, child, cohabitee and business partner where that person could exert influence over a Director, Local Governor or member of staff.

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

It is the role of the Clerk to the Board to ensure the Register of Business Interests is up to date for the Governors. It is the role of the ABM or HR Manager to check the Register of Business Interests for all employees.

#### 3.12 Related Party Transactions

Related parties include persons and entities with control or significant influence over the academy trust, and members of the same group (e.g. parent and subsidiary companies).

ELP must report all contracts and other agreements with related parties to ESFA in advance of the contract or agreement commencing, using ESFA's related party on-line form. This requirement applies to all such contracts and agreements made on or after 1 April 2019. Business managers should notify the CFO in advance of any related party transaction taking place, and the CFO will complete the ESFA's online form as necessary. Academies should provide the CFO of the date the transaction is due to take place, the supplier and the amounts involved.

Academies must obtain ESFA's prior approval, using ESFA's related party on-line form, for contracts and other agreements for the supply of goods or services to the trust by a related party agreed on or after 1 April 2019 where any of the following limits arise:

- ) a contract or other agreement exceeding £40,000
- ) a contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with the related party exceeds, or continues to exceed, £40,000 in the same financial year ending 31 August







## 4. Financial Planning

The CFO, and the ABMs will prepare both medium and short-term financial plans for each academy in the MAT. This is called the 3-year financial forecast. These plans are prepared to inform the strategic development of the trust Budget planning processes for the next 3 years.

The Strategic Plan for the Trust identifies the improvement priorities over the medium to long-term

and the expected level of resources available. This is aligned to the Trust Business Plan.

The Annual Improvement Plan for each academy provides the framework for the annual budget. The annual budget is a detailed statement of the expected resources available to each academy and the planned use of those resources during the year.



## 5. Annual Budget

### 5.1 Budget setting

The budget process follows an annual planning cycle which is detailed in the flowchart below.

The ABMs and Principals in liaison with the CFO, and CEO, are responsible for the preparation and obtaining approval (from the LGB) for the annual budget which the Board, through its FOC, must approve each year.

The approved budget must be submitted to the DfE by the published timetable each year. The CFO is responsible for establishing a timetable which allows sufficient time for the approval process and ensures the submission date published by the DfE is met.

The annual budget will reflect the best estimate of the resources available for each academy for the forthcoming year and will detail how those resources will be utilised; establishing clear links to support the objectives identified in the Academy Improvement Plans.

The budget planning process will incorporate the following elements: -

- › Forecasts of likely pupil numbers to estimate the amount of DfE grant receivable
- › Review of other income sources
- › Review of past performance against budgets
- › Consideration of improvement priorities against performance outcomes or external evaluations

- › Identification of potential efficiency and budget containment actions
- › Annual review of expenditure headings to reflect known changes and expected variations in costs e.g. pay increases, inflation or other anticipated changes.

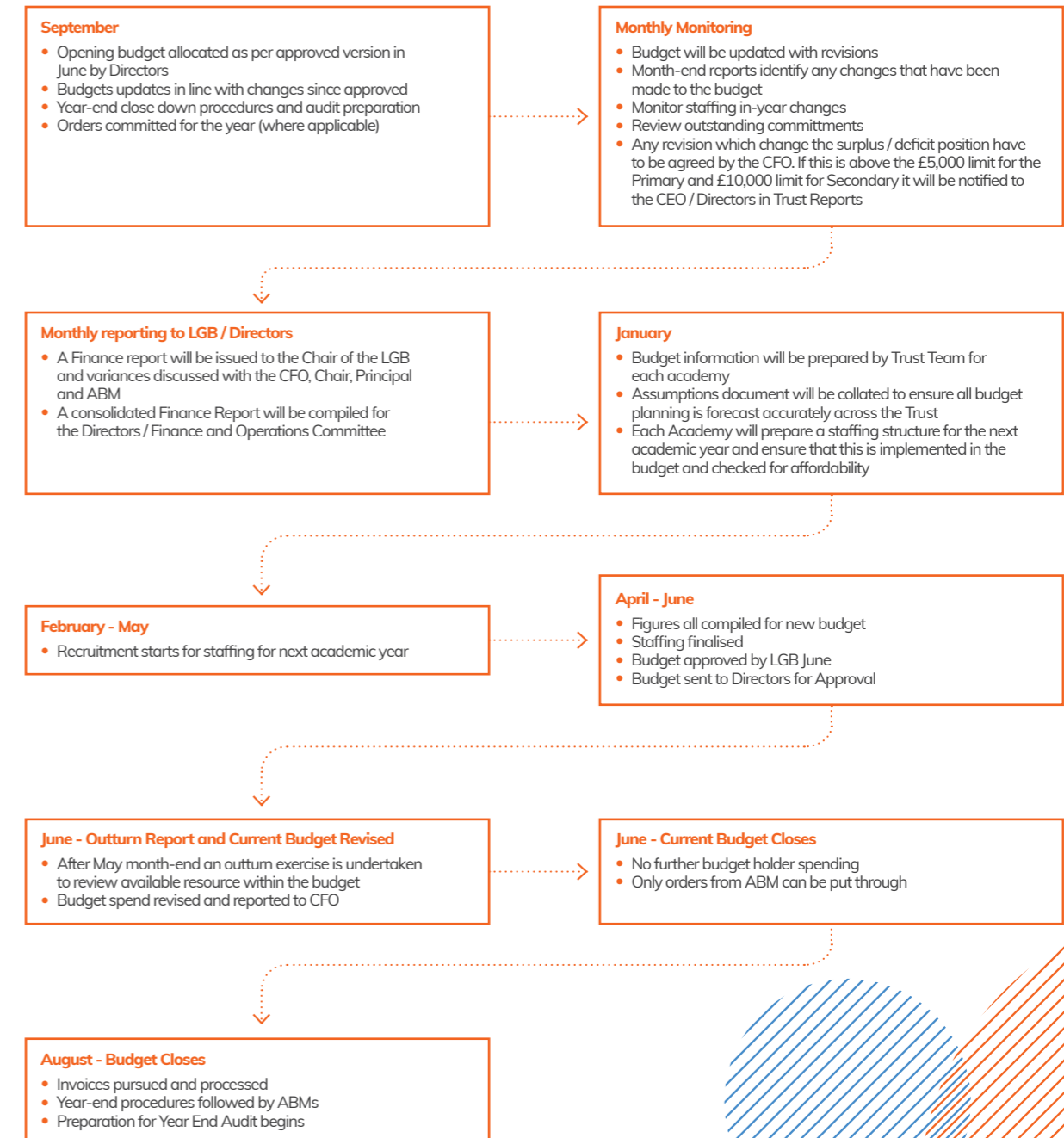
The draft budgets will be presented to the LGB for initial agreement and then put forward to the FOC together with a supporting report for approval by the CFO. Once the budgets are agreed this should be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints.

The budget should be seen as a working document (working budgets) which are revised and updated monthly. Any revisions should be reported to the FOC through the CFO's report. Any substantial changes must be approved by the FOC in accordance with the Scheme of Delegation and Financial Authorities- Appendix 1



## 5. Annual Budget (continued)

### 5.1 ELP Budget Setting and Monitoring Process







## 5. Annual Budget (continued)

### 5.2 Budget conditions

Budgets should be set, wherever possible, on an in-year cost-neutral basis as a minimum. In-year deficit budgets will firstly have to be agreed with the CEO and justified to FOC for approval. Academies will need to justify their reasons for approval of an in-year deficit budget and present a plan for subsequent recovery and non-repetition. This is only usually allowed where income has been received and not spent in the year it has been allocated.



## 6. Budget Management

The ABMs will be responsible for reconciling all bank accounts and budgets monthly.

The CEO and Chair of Directors will receive monthly budget monitoring reports from the CFO on current spend against budget and forecast outturn expenditure. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration at FOC or Board of Directors.

The CEO delegates responsibility to the Principals to monitor and account academy budgets. The Principal then delegates responsibility to budget holders. These budget holders must operate within the same objectives and controls as outlined in this policy. Delegated budget holders will be provided with sufficient information to enable them to perform adequate monitoring and control. Such budget holders are accountable to the Principal who is responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed. The Principal then accounts the expenditure and budget to the CFO who in turn accounts the budgets to the CEO and Directors.

Any potential overspends against the budgets must in the first instance be discussed with the ABMs.



The FOC will continually monitor the quality of the financial information presented to it to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.

The original budget must be set in the Access accounting systems and up-to-date changes monitored against master budgets which will record in-year changes. An audit trail of all virements made after the approval of the original budgets must be made. (Month-end budget reports will evidence this)

## 7. Accounting Systems



### 7.1 Financial Accounting System

ELP uses Access (HCSS) and all financial transactions must be recorded using this system. Access rights within the system are defined for each user with a unique ID and password.

- ) All financial transactions relating to the MAT/academies' budgets must be recorded using Access. There must be a clear audit trail for all financial transactions from the original documentation to accounting records. Finance records must be stored for 7 years in accordance with the Companies Act.
- ) Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use.
- ) Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.
- ) All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.
- ) The finance system is cloud based, therefore protected by robust back up procedures.

### 7.2 Transaction Processing

- ) All journal transfers and transactions in the Nominal Ledger will be processed by the authorised Finance Staff / ABMs/ FO / CFO;
- ) Cash Book entries will be made by the authorised Finance Staff / ABMs/ FO / CFO;
- ) Fixed Asset transactions will be made by the authorised Finance Staff / ABMs/ FO / CFO;
- ) Requisitions will be approved by the budget holder.
- ) Orders will be authorised in accordance with the Scheme of Delegation and Financial Authorities– Appendix 1
- ) Invoices will be processed ready for payment by the authorised Finance Staff

- ) Sales Ledger invoices raised by the authorised Finance staff
- ) BACS or Manual Payments should be raised by authorised Finance Staff
- ) BACS or Manual Payments will be approved and countersigned according to the Scheme of Delegation and authorised staff on the bank mandate.
- ) The ABMs/ FO / CFO will ensure monthly reconciliations in respect of the sales ledger; purchase ledger, payroll, nominal ledgers and cash book

### 7.3 Accounting for 'Other' Income

Academies will use a recognised parent payment system (RPPS), e.g. ParentPay, to deal with the collection of 'other income'. This system is set up for access each user is defined with a unique ID and password.

- ) The approved AASs are responsible for the day to day management of the RPPS system.
- ) The approved AASs produce reports for data input into Access
- ) The ABMs are responsible for overseeing this system and receiving information from the approved AAS





## 8. Payroll

The main elements of the payroll system are:

- ) Staff Appointments
- ) Payroll administration
- ) Payments and monitoring

### 8.1 Staff Appointments

The Board, in conjunction with the LGBs, approves the Staffing Structure for each academy alongside the budget, and forms part of the Pay Policy.

Changes to the Staffing Structure of the academy outside the approved budget are agreed through a business case to the CFO outlining the financial requirements of the role with adequate checking of the current budgeting and forecast position. Principals will work with the CEO on changes to the Staffing Structure, before putting in a business case for approval.

The SLT has the authority to appoint staff within the authorised staffing structure. The ABMs or HR Manager will maintain personnel files for all members of staff, which include contracts of employment and identified documentation as outlined in the Recruitment Policy and in line with data protection policies. All Staff Personnel information, if not electronic, will be stored in a lockable cabinet.

### 8.2 Payroll Administration

ELP payroll is outsourced to an appropriate provider. The current payroll provider is Rotherham Metropolitan Borough Council. Master personnel records are held in a secure place with only authorised personnel having access rights to this information which is password controlled.

All Payroll transactions relating to academy staff, permanent or casual, will be processed through the payroll system. RMBC have a contractual obligation to process transactions in line with the agreed service specification and to meet all statutory requirements.

All new appointments, leavers, changes to contracts or personal details are undertaken on the payroll portal by ABMs (HR Manager in Secondary Academy). These are then authorised by the Principal at Primary and the ABM at Secondary. The Business Manager may authorise where delegated to do so by the Principal.

ABMs are responsible for keeping the staff personnel database up-to-date via an approved information

management system. Systems currently approved are detailed in Appendix 3.

Absence records are maintained by the ABMs or HR Manager. Unpaid leave is notified to payroll using the payroll portal by authorised personnel.

All additional hours must be pre-approved and authorised by Principals at Primary Level and either HR Manager or ABM at Secondary Level. SLT additional hours must be pre-approved by the Principal in all phases. Claims for overtime / variance of grade of duties, casual claims and supply claims will be entered on to the payroll portal monthly and approved as outlined above Payroll Variance is checked by each academy's Business Manager as part of the month end process and this is included within the month end checklist. Payroll provide each academy with a payroll report accordingly.

### 8.3 Payments and Monitoring

All salary payments are made by BACS. It is an ELP condition of employment that all employees must have a bank account.

The payroll provider submits payroll reports to academies prior to salary payments being dispatched detailing costs and details of payments to individuals. A BACS report is also submitted. The ABMs will undertake a payroll reconciliation to ensure the data does not contain errors prior to salaries being paid.

The ABMs are responsible for checking that all unpaid leave/ additional hours have been processed as previously agreed. The final payroll run should be checked and signed by the ABM, and approved by the Principal before final submission to payroll. For Secondary Academies, checked and signed off by HR Manager, approved by Business Manager

The payroll provider will calculate deductions due from payroll to comply with current legislation. The major deductions are for tax, national insurance and pensions. The amounts payable are summarised on the gross to net pay payroll print received from payroll. The total net pay and deductions per academy are deducted from the individual Academy's Bank Account by direct debit.

The ABMs are responsible for entering the payroll data into Access via journal at the earliest opportunity.

Each year the ABMs will check each member of staff's gross pay against the payroll system to the contract of employment.

## 9. Value for Money (VFM) Procedures

All orders for goods and services are subject to the following rules concerning quotes and tenders below:

### 9.1 Orders of £5,000 and below

Consideration to be given to alternative suppliers and evidence attached to requisitions/ orders if quotes have been sought. Value for money should always be considered.

### 9.2 Orders over £5,001 but less than £100,000

At least three written quotes should be obtained for all orders to identify the best source of the goods and services except: a) where the service is being provided by a contractor to maintain or extend systems they have previously installed or are under contract to maintain and b) have provided quotes and tenders for a similar service within the past 12 months where they were the selected supplier. Details should be recorded on or attached to the requisition form.

### 9.3 Orders over £100,001 up to EU (OJEC) thresholds

Goods or services ordered with a value over £100,000 or for a series of contracts in which the total exceeds £100,000 must be subject to formal tendering procedures as detailed below. All paperwork relating to the tender must be kept.

### 9.4 Orders over EU (OJEC) Threshold

<http://www.ojec.com/Thresholds.aspx>

- ) Supplies and services £213,477
- ) Works contracts £5,336,937

Purchases over the EU Thresholds are by law subject to EU Public Procurement Directives for the advertising and Award of Contracts.



## 10. Forms of Tender

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

### 10.1 Open Tender

This is where potential suppliers are invited to tender. The MAT tender process must be agreed with the CFO and the DCEO for academy tenders, in line with the delegated financial authorities and how best to advertise for suppliers. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

### 10.2 Restricted Tenders

This is where suppliers are specifically invited to tender and 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 is such that only specific suppliers can be expected to supply the academy requirements,
- ) The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.







## 10. Forms of Tender (continued)

### 10.3 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 existing supplier are justified

### 10.4 Preparing for Tender

Full consideration should be given to:

- › Object of project
- › Overall requirements
- › Technical skills required
- › After sales service requirements
- › Form of contract

It will be necessary to rank all the requirements and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

### 10.5 Invitation to Tender

An invitation to tender should include the following:

- › Introduction/background
- › Scope and objectives of the project
- › Technical requirements
- › Implementation of the project
- › Terms and conditions of the tender
- › Form of response

### 10.6 Aspects to consider

#### Financial

- › Comparison of like with like cost and if a lower price means a reduced service or lower quality this should be borne in mind when reaching a decision

- › Hidden costs – care should be taken to ensure tender price is the total price.
- › Is there scope for negotiation? The Trust should always aim to achieve best value for money.

#### Technical

- › Qualifications of contractor
- › Experience
- › Descriptions of technical and service facilities
- › Compliance to CDM
- › Certificates
- › Quality control procedures
- › Details of previous sales and references

#### Other considerations

- › Pre-sales demonstrations
- › After sales service
- › 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.

### 10.7 Tender Acceptance Procedures

The tender invitation will state the time and date by which the completed tender document should be received by the MAT/Academy. Tender submissions should be received in plain envelopes clearly stating they contain tender documents they must be

- › Date stamped and marked with the time of receipt
- › Store, unopened, in a secure place prior to tender opening
- › Tenders received after the deadline should not normally be accepted

### 10.8 Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. Two persons should be present at the opening of the tenders this would normally be:

- › CEO and DCEO plus a member of the Board of Directors

### 10.9 Tender Evaluation Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, which may influence their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved must take care not to accept gifts or hospitality from potential suppliers that could be seen to compromise their independence.

The award of the tender must be approved by the Board of Directors. The accepted tender should be one that is economically most advantageous unless it can be demonstrated that this is not the best option for the Trust and other factors outweigh any monetary savings.

## 11. Purchasing

The MAT and its academies will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable. A large proportion of purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principals of:

- › Probity – an approach to all interested parties in the disclosure of information that lends itself to necessary scrutiny.
- › Accountability – the process whereby individuals are responsible for their actions and decisions.
- › Fairness – that all those dealt with by the Academy are dealt with on a fair and equitable basis.

The CFO and ABMs will ensure that there is a clear separation of duties within the finance team

### 11.1 Orders for Goods and services

Where requisition raisers have been set up, they should raise an electronic requisition for goods or services on the Access system. Once the budget holder has approved the requisition, this is then converted into an electronic purchase order by the finance team (this applies to secondary academies only until all academies have implemented a fully electronic system) Primaries may raise purchase orders via paper based initially if no requisition is required/requisition raisers and budget holders haven't been set up on the Access system.

Where the value of an order is over £5,000, this must be accompanied by evidence of appropriate number of quotes – as per section 9. Orders will be authorised only if the VFM documentation is present and correct and attached electronically or to the paper Purchase Order Requisition. Advice about suppliers or obtaining best value is available from the CFO and Trust Finance Manager.



## 10. Forms of Tender (continued)







## 11. Purchasing (continued)

Circumstances where a Purchase Order Requisition is not required:

A Purchase Order Requisition is not required in the following circumstances:

- › Recurring Utility and Water Rate Charges
- › Contracted agreements such as leases
- › Recharges from within the Trust
- › Monthly Cleaning Charges
- › Monthly Waste Management Charges
- › Capital Expenditure that has been subject to tenders and quotations exercises and contracts agreed.
- › Where an order has needed to be raised due to an emergency or immediate pupil or academy need – Approval will be sought from CEO, DCEO or CFO in line with Approval Thresholds.

### 11.2 Delivery of Goods and Services

- › On receipt of goods the goods receiver (normally the requisition raiser or budget holder,) will check the goods received to the purchase order and update the Access system.
- › The goods receiver will raise any discrepancies with the finance team for investigation
- › The budget holder must ensure that the goods received are of acceptable quality. Any goods that are rejected must be notified to the finance team within 2 days of delivery.



## 12. Payment of Accounts

### 12.1 Processing of Invoices

It is preferred that suppliers raise a purchase invoice to the Trust/ academy for payment. If payment is needed on or before delivery or no credit is given, a pro forma should be provided. As a general rule the Trust will not normally pay for goods or services in advance.

Payment for supplies and services will be paid upon receipt of an invoice when:

- › It is confirmed that goods or services have been received and are of the quality expected as per section 11

- › The invoice is arithmetically correct
- › Prices are correct
- › VAT has been applied correctly

At least two authorised staff members must be involved in the process of agreeing invoices and authorising payment. The finance team will do the above checks and enter the invoices onto Access as soon as possible. All invoices are to be processed through Access, payments generated via BACS and authorised in accordance with the Bank Mandate.



## 13. Other Purchases



### 13.1 Internet Purchases

It is expected that internet purchases will follow the same 'goods and ordering services' procedures as per above

- › The ABMs (and where appropriate other senior designated staff/ finance team) hold the credit card for orders placed over the internet and orders may be placed by them.
- › The transaction is recorded in Access as soon as possible
- › The credit card(s) should be held securely at all times and the PIN code(s) not disclosed to any other party. When credit cards are issued, the employee will sign the agreement for acceptable use within the policy.

### 13.2 Reimbursements to individuals

Some academies operate a petty cash account. Petty cash is intended for use to purchase small items, up to £30. Requests for cash above this value (up to £100) must always be authorised by the ABM in advance. Under normal circumstances payment above £100 should be made via BACS or cheque upon receipt of an invoice or VAT receipt. Evidence of expenditure (i.e. receipts) must be submitted in order to claim. For reimbursement of cash transactions:

- › Re-imbursement to individuals is to be made via the petty cash receipt form (completed by finance team) and MUST be supported by receipts for the goods/services received. Receipts must only contain academy related purchases (not personal expenditure).
- › Staff members must not use their own personal loyalty cards in order to obtain points etc when purchasing on behalf of the Trust or academies. Staff should not use their own personal debit/ credit cards in order to purchase on behalf of ELP
- › Reimbursement may be refused if the finance team consider if the procedures outlined in this policy have not been adhered to or the budget holder has already spent their full allocation and did not seek prior approval to exceed the funds available.
- › The person being reimbursed signs for receipt of the reimbursement
- › The reimbursement is recorded in Access as soon as possible

### 13.3 Purchase of alcohol

Alcohol-containing products intended for recreational, social or gift purposes will not be purchased from the academy's revenue resources. Trust funds should not be used to purchase alcohol, except where it is to be used in religious services.







## 14. Income

### 14.1 Income collected by the academies

Academies collect income from parents or the public for:

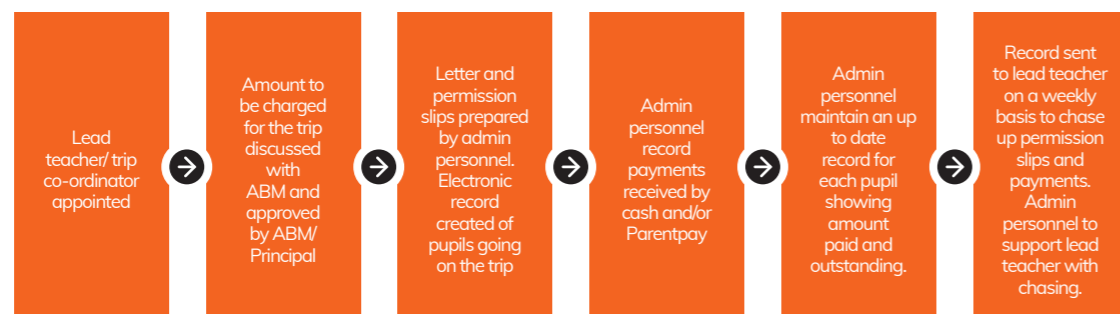
- ) School Meals
- ) Trips and residential visits
- ) Book bags & uniform
- ) After School Club
- ) Lettings
- ) Donations and collections (e.g. non-uniform days)
- ) Other schools and organisations for consultancy services

- ) Education equipment/ resources
- ) Reimbursements from various parties for activities in which the academies play an active role.

Academies use a recognised parent payment system (RPPS) to administer the collection of this income. The ABMs are responsible for the day to day administration of the RPPS and the collection of income.

### 14.2 Trips / Activities

The process for trips and activities in academies is as follows:



### 14.3 Lettings

The policy for lettings of premises is contained in a separate document. The Policy and charges will be reviewed annually and approved by FOC.

ABMs and/or Clerical Assistants are responsible for maintaining records of bookings facilities and for identifying the sums due from each organisation. Payments must be made in advance for these facilities whenever possible.

ABMs will be responsible for chasing outstanding debts, debts will only be written off in accordance with the financial authority contained within the Scheme of Delegation.

### 14.4 Cash and security

All cash and cheques must be held in the academy safe prior to banking. Banking will take place at least weekly. Where the academy is holding more than £500 at any one time, banking will be more frequent. The academy will not hold sums of more than £3000 within the safe.

The finance team input the banking amounts into Access and complete reconciliations between sums collected, the sums deposited at the bank and the sums posted to the accounting system, as part of the month-end procedure

Hard copies of paperwork must be stored in a secure cabinet.

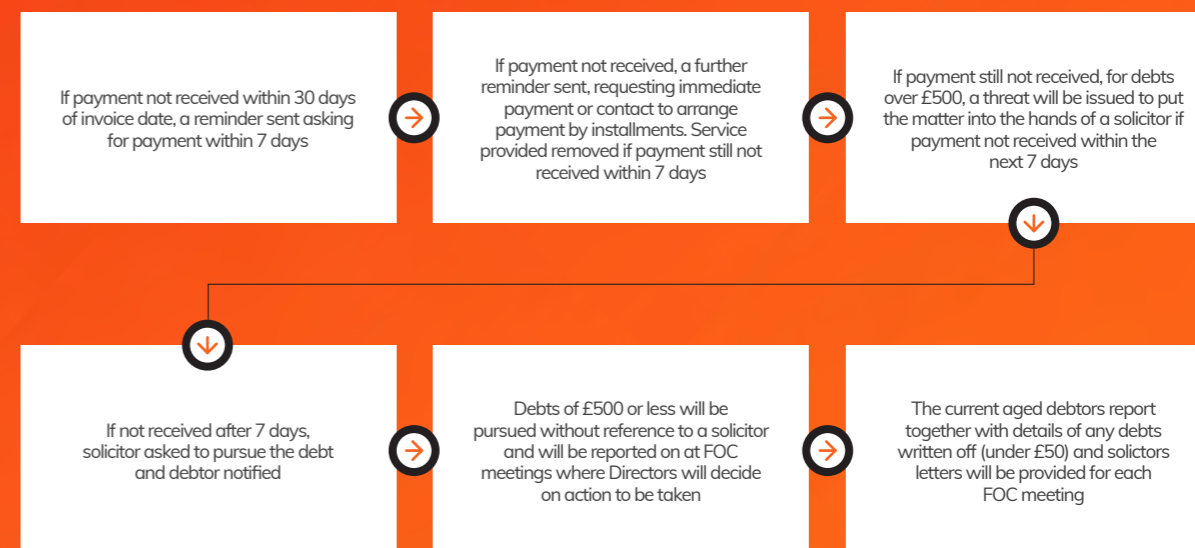


## 14. Income (continued)

### 14.5 Debtors

- ) Debts under £500 can be authorised to be written off by the CFO and reported in the month end documentation by the academy
- ) Debts above £1,000 and up to 1% of the academy annual income (or up to £45,000 individually) may be written off with the approval of both the CFO and CEO, and the approval of FOC.
- ) Debts over £501 and up to £1,000 may be written off only with the approval of both the CFO and CEO and reported in the month-end documentation by the academy
- ) Debts over 1% of annual income or over £45,000 individually can be written off with approval by the CFO, CEO, FOC, as well as ESFA approval is required.

The following debt recovery policy will be applied:







## 15. Cash Management

### 15.1 Bankers

The MAT has appointed Royal Bank of Scotland as their bankers for all funds. Investments outside of the current account/ 32-day interest accounts must be approved by the FOC.

### 15.2 Deposits

Particulars of any bank deposit must be entered in a paying in slip and should include:

- ) The amount of the deposit and
- ) Details of all transactions

Counterfoil should include:

- ) The amount of the deposit
- ) Signature of person preparing/checking the banking

### 15.3 Payments and withdrawals

All cheques and other instruments authorising withdrawal from any of the MAT bank accounts must bear signatures / electronic signatures in line with the scheme of delegation.

### 15.4 Bank Reconciliations

The ABMs must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures will ensure:

- ) All Bank Accounts are reconciled to Access system
- ) Adjustments are dealt with promptly.

### 15.5 Cash Flow Forecasts

The CFO is responsible for ensuring that the Trust has sufficient funds available to pay for day to day operations. The Trust aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. Guiding principles are as follows:

- ) To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements.

### 15.6 Investments

Investments must be made only when approved by the FOC and under the Scheme of Delegation.

### 15.7 Reserves

The Budget is managed in line with the Reserves Policy which is reviewed annually.



## 16. VAT

### 16.1 VAT 126 Claims

Under legislation VAT claims can be made on expenditure supporting the academy's core business purposes according to the simplified arrangement as detailed in the VAT Information Sheet 09/11 issued in June 2011.

VAT returns and VAT reconciliations will be completed at Trust level.

### 16.2 VAT Registration

Separate to the activities mentioned above the academy may choose to register for VAT in relation to

its non-business activities, i.e. production of adult meals.

The academy is not registered for VAT at present this is kept under ongoing review with the MAT's External Auditors.

Guidance on VAT can be found at [www.hmrc.gov.uk/vat/start/introduction.htm](http://www.hmrc.gov.uk/vat/start/introduction.htm)

## 17. Fixed Assets

### 17.1 Capitalisation

Fixed assets costing more than £500 per item will be capitalised in the accounts and recorded in the fixed asset register. This register will detail date of asset, description, purchase date, supplier, cost, source of funding, expected useful life, depreciation, current net book value.

### 17.2 Depreciation

Fixed assets will be depreciated in line with the depreciation policies of the Trust and is provided on all tangible assets at the following annual rates calculated to write off the cost less estimated residual value over their useful economic lives as follows:

- ) Leasehold land straight line over 125 years
- ) Leasehold buildings straight line over 40 years
- ) Leasehold improvements straight line over 40 years
- ) Furniture and equipment straight line at 20% per annum
- ) ICT equipment straight line over 3 years
- ) Motor vehicles straight line over 5 years

The fixed asset register will be updated quarterly and depreciation will be posted quarterly to the management accounts.

### 17.3 Security of assets

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

### 17.4 Disposal of assets

Surplus or redundant assets will be disposed of after authorisation by the CFO. LGB will be updated of any disposals via the month-end reporting documentation.

Where significant, assets should be sold by competitive tender or in the most effective manner. All disposals of land must be agreed in advance with the Secretary of State.







## 18. Computer Systems

Access to the finance system is password protected. It is the responsibility of the CFO to determine the appropriate level of access for each user and to inform the ABM within the academies.

The Trust have outsourced ICT requirements for all primary academies and have delegated the backup of all systems to Adept. Secondary academy has their own onsite servers which are backed up daily.



## 19. Reporting to the DfE

The Trust, incorporating each academy, is required to submit reports to the DfE in the following areas

- ) Annual Accounts Return (AAR)
- ) Annual Budget
- ) Statutory Year End Accounts

The CFO will prepare these returns/ documentation for these returns with assistance from the appointed accountants where required.

### 19.1 Annual Accounts Return (AAR) and Whole of Government Accounts

Trusts are required to submit an AAR by mid-January each year in the format supplied by the ESFA (for specific date, refer to academy planner on government web site). The CFO will ensure this is completed and signed off by the external auditors.

### 19.2 The Annual Budget

Trusts are required to send a copy of its annual budget to the DfE. This will be in the format of an income and expenditure statement on an accruals basis.

The Trust must ensure that a final budget is submitted setting out the Trusts plans for the forthcoming academic year in more detail in the required format and by the required deadline as notified by the DfE year on year.

### 19.3 Statutory Year End Accounts/ Annual Accounts

As a Charitable company the MAT must comply with company law as set out in the Companies Act 2006. This includes a requirement to prepare a governors' report and financial statement ('annual accounts') and for these to be independently audited by a registered auditor. Financial Statements should be prepared to **31st August each year**. They should include:

- ) Incoming resources from all sources, receivable in the period
- ) Resources expended on all activities within the period
- ) All assets and liabilities of the Academy at the balance sheet date
- ) All cash received and expended within the period
- ) Notes to the accounts

The Annual accounts must be submitted to the ESFA by **31st December**. As soon as the DfE deadline, but by no later than **31st May** (9 months after the end of the accounting year), a copy of the governors annual report and audited final accounts must be sent to Companies House.



## 20. Self-Assessment of Management and Governance

The Board will appoint an appropriately qualified body/individual to carry out checks on the Trusts systems of internal control and on the adequacy of the Trusts arrangements for financial management and governance. The current body is detailed in Appendix 3.

The MAT will report to the ESFA annually through the Value for Money Statement within its annual accounts on the effectiveness of their management of its resources.



## 21. External Auditors

The MAT will appoint an appropriately qualified company as their external auditor. This will be reviewed on a 3-yearly basis meeting the requirements of the Trust Handbook. The appointment of Auditors must be approved by the Board and Members. The current Auditors are detailed in Appendix 3.







## Appendix 1. Scheme of Delegation and Financial Authorities

## Appendix 1. Scheme of Delegation and Financial Authorities (continued)



Financial Authorities – Primary Academy			
Delegation	Value (excluding VAT)	Delegated Authority Primary Academy	Best Value Evidence and Additional Items to Consider
Ordering Goods and Services (Purchase Orders)	Up to £4,999	1 signatory required : Principal	Value for money should always be considered but no formal quotations are required
	£5,000 to £49,999	2 signatures required: Principal Plus either CEO, DCEO, DofPE, CFO	Minimum of three quotations required
	£50,000 to £99,999	3 signatures required: Principal Plus 2 of either CEO, DCEO, CFO	
	£100,000 and over	Approval from chair of finance & operations committee or the chair of directors. Plus Principal, CEO and DCEO.	Formal tendering process including advertising in OJEU if over threshold

Financial Authorities – Central Trust			
Delegation	Value (excluding VAT)	Delegated Authority Primary	Best Value Evidence and Additional Items to Consider
Ordering Goods and Services (Purchase Orders)	Up to £4,999	1 signatory required : Principal or BM	Value for money should always be considered but no formal quotations are required
	£5,000 to £49,999	2 signatures required: Principal Plus either CEO, DCEO, DofPE, CFO	Minimum of three quotations required
	£50,000 to £99,999	3 signatures required: Principal Plus 2 of either CEO, DCEO, CFO	
	£100,000 and over	Approval from chair of finance & operations committee or the chair of directors. Plus Principal, CEO and DCEO.	Formal tendering process including advertising in OJEU if over threshold

Financial Authorities – Secondary Academy			
Delegation	Value (excluding VAT)	Delegated Authority Primary	Best Value Evidence and Additional Items to Consider
Ordering Goods and Services (Purchase Orders)	Up to £4,999	1 signatory required : Principal or BM	Value for money should always be considered but no formal quotations are required
	£5,000 to £24,999	1 signatory required : Principal or BM	Minimum of three quotations required
	£25,000 to £49,999	2 signatures required : Principal Plus either CEO, DCEO, CFO	
	£50,000 to £99,999	3 signatures required: Principal Plus 2 of either CEO, DCEO, CFO	
	£100,000 and over	Approval from chair of finance & operations committee or the chair of directors. Plus Principal, CEO and DCEO.	Formal tendering process including advertising in OJEU if over threshold

Financial Authorities (All Academies and Central Trust)			
Delegation	Value (excluding VAT)	Delegated Authority	Best Value Evidence and Additional Items to Consider
Operating Leases / Contracts / Capital Projects	Up to £4,999	Signed by 1 of CEO, DCEO, CFO	Value for money should always be considered but no formal quotations are required.
	£5,000 to £99,999	Signed by 2 of CEO, DCEO, CFO	Minimum of three quotations required
	£100,000 and over	Signed by 2 of CEO, DCEO, CFO	Formal tendering process including advertising in OJEU if over threshold

Financial Authorities			
Delegation	Value (excluding VAT)	Delegated Authority for Primary Academy, Delegated Authority Secondary Academy Delegated Authority Central Trust	Best Value Evidence and Additional Items to Consider
Severance and Compensation Payments	Any value	Approved by CEO up to ESFA threshold. If above ESFA Threshold, CEO will seek ESFA approval and also gain approval from Chair of Finance and Operations Committee.	N/A
Ex Gratia Payments	Any value	CEO will Seek ESFA Approval and also gain approval from the Chair of Finance and Operations Committee	N/A







## Appendix 1. Scheme of Delegation and Financial Authorities (continued)

Financial Authorities				
Delegation	Value (excluding VAT)	Delegated Authority Primary Academy	Delegated Authority Secondary Academy	Best Value Evidence and Additional Items to Consider
BAC's payments and other online bank transfers	Total Payment run value of up to £50,000	Upload to be undertaken by Academy Business Manager and approved by Principal	Upload to be undertaken by Academy Finance Officer and approved by Principal or Business Manager	All Trust Central Payment Runs will be uploaded by the Finance Manager and approved by one of the signatory's from the Trust Approver List
	Total Payment run value of between £50,001 and £100,000	Upload to be undertaken by Academy Business Manager and approved by Principal and an additional signatory from Trust Approver List	Upload to be undertaken by Academy Business Manager and approved by Principal and an additional signatory from Trust Approver List	
	Total Payment run of over £100,000	Upload to be undertaken by Academy Business Manager and approved by Principal and an additional signatory from Trust Approver List	Upload to be undertaken by Academy Business Manager and approved by Principal and an additional signatory from Trust Approver List	
Cheque Signatories	Any value	Two signatories only	Two signatories only	Two signatories only
Signatories for ESFA Grant Claims	Any value	Signed by one from Trust Approver List, copy must be kept on file	Signed by one from Trust Approver List, copy must be kept on file	Signed by one from Trust Approver List, copy must be kept on file



## Appendix 1. Scheme of Delegation and Financial Authorities (continued)

Financial Authorities			
Delegation	Value (excluding VAT)	Delegated Authority for Primary Academy, Delegated Authority Secondary Academy Delegated Authority Central Trust	Best Value Evidence and Additional Items to Consider
Request for expenditure against reserves	Any value	Approved by CEO and Finance and Operations Committee	Proposal to be discussed with CEO and DCEO before Business Cases are collated and submitted in line with value of services
Disposal of Assets	Any value	Chief Finance Officer and reported in Month End Reporting Documentation	N/A
Write off Bad Debts	Up to £500	Chief Finance Officer and reported in Month End Reporting Documentation	
	£501 to £1,000	Chief Finance Officer and reported in Month End Reporting Documentation	
	£1,001 up to 1% of annual income or £45,000 individually	As above and Finance Operations Committee	
	Over 1% of annual income or £45,000 individually or 2.5% of 5% of annual income cumulatively	As above plus ESFA Approval	

Financial Authorities			
Delegation	Value (excluding VAT)	Delegated Authority for Primary Academy, Delegated Authority Secondary Academy Delegated Authority Central Trust	Best Value Evidence and Additional Items to Consider
Virements with net nil impact on surplus/deficit position	Any value	Academy Business Manager and reported to Trust via Month End reporting Documentation	Proposal to be discussed with CEO and DCEO before Business Cases are collated and submitted in line with value of services
Disposal of Assets	Any movement up to £5,000	Approved by Academy Business Manager in conjunction with Principal reported in Month End reporting Documentation	N/A
Virements of budget - amendments to budget position that was originally approved by Directors	Any movement of £5,001 to £10,000	Approved by CFO in conjunction with either CEO or DCEO and reported in Month End reporting Documentation	
	Any movement of £10,001 to £20,000	Approved by CEO in conjunction with either DCEO or CFO and reported in Month End reporting Documentation	
	Any movement of more than £20,000	Approved by CEO and Finance and Operations Committee	





## Appendix 1. Scheme of Delegation and Financial Authorities

Salaries and Payroll			
Delegation	Delegated Authority for Primary Academy	Delegated Authority Secondary Academy	Delegated Authority Central Trust
Payroll Processing	Checked by Academy Business Manager, authorised by Principal or Chief Finance Officer (payroll reports and payments will be checked as appropriate by Finance Manager on a monthly basis)	Checked by Academy Business Manager, authorised by Principal or Chief Finance Officer (payroll reports and payments will be checked as appropriate by Finance Manager on a monthly basis)	Checked by Finance Manager, authorised by DCEO or Chief Finance Officer (payroll reports and payments will be checked as appropriate by Finance Manager on a monthly basis)
Contracts of Employment	Trust paperwork to be completed. Any contract needs to be authorised by the Principal and reported to the CEO or DCEO prior to the change being confirmed. Principal Contracts of Employment must be authorised by the CEO or DCEO	Trust paperwork to be completed. Any contract needs to be authorised by the Principal and reported to the CEO or DCEO prior to the change being confirmed. Principal Contracts of Employment must be authorised by the CEO or DCEO	Trust paperwork to be completed. Any central team contract needs to be authorised by the CEO or DCEO prior to the change being confirmed

Financial Authorities			
Delegation	Value	Delegated Authority Primary Academy	Best Value Evidence and Additional Items to Consider
Purchase or sale of Freehold Property	Any	ESFA approval required	N/A
Granting or take up of any leasehold or tenancy agreement (refer to operating leases over 1 year)	Any	ESFA approval required	N/A
Investments outside of the current account and 32 day interest accounts	Any	Finance and Operations Committee	N/A
Raising Income Invoices	Any	Academy Finance Officer, Trust Finance Manager or Academy Business Manager	N/A



Intra Company Transactions (Transactions between the Trust and its academies between Trust academies)	
Delegation	Delegated Authority
Agreed Trust Recharges	Annual Recharges to be agreed in advance and approved by CFO and then in line with BAC's payments and other online bank transfers authority
Contracts of Employment	Annual Recharges to be agreed in advance and approved by CFO and then in line with BAC's payments and other online bank transfers authority
Contracts of Employment	Agreed in advance and approved by CFO and then in line with BAC's payments and other online bank transfers authority

Approver List		
Trust Approver	Primary Academy Approver	Secondary Academy Approver
Chief Executive Officer	Principal	Principal
Deputy Chief Executive Officer		Business Manager
Chief Finance Officer		







## Appendix 2. Annual Finance Planner

Month	Academies Planning Calendar (Based on 2022-2023 planning – subject to change in future years)	Other Finance Actions
Every Month		<b>Month end procedures:</b> <ul style="list-style-type: none"> <li>Monitor payments, income and journals</li> <li>Assign pre-payments/accruals – ABM and FO</li> <li>Monthly reprographic charge – Finance teams</li> <li>Monitor outstanding purchase orders (finance teams)</li> <li>Income received transferred to department code – Finance Team</li> <li>Produce monthly management accounts and commentary – ABM and CFO</li> </ul>
Every Month		<b>Budgets:</b> <ul style="list-style-type: none"> <li>Working Budget Updated</li> <li>Including staffing variances</li> </ul>
Every Half Term		<b>Budgets:</b> <ul style="list-style-type: none"> <li>Budget holder receives update of expenditure in the budget</li> </ul>
September	<b>Information and published guidance</b> <ul style="list-style-type: none"> <li>Trust Handbook comes into effect</li> <li>ESFA publishes key findings following the assurance work relating to Academy trust financial statements, Academy funding audits and financial management and governance reviews for the year just closed.</li> </ul>	<b>Year End:</b> <ul style="list-style-type: none"> <li>Finalise Year End Arrangements and post all transactions</li> <li>Creditors List</li> <li>Monitor outstanding purchase orders/invoices from previous year's budget - ABM</li> <li>Debtors List</li> <li>Fixed Assets</li> <li>Receipts in advance (deferred income)</li> <li>Payments in advance (pre-payments)</li> <li>Prepare financial statements and Trustees Report</li> </ul> <b>Budgets:</b> <ul style="list-style-type: none"> <li>Agree and update list of budget holders</li> <li>Budget allocated to departments on formula basis - ABM</li> <li>Raise purchase orders for supplies and all contracts known in advance – ABM / Finance team</li> </ul>
October	<b>Academy action</b> <ul style="list-style-type: none"> <li>Complete autumn school census</li> <li>Academies must publicly consult by 31 January on proposed changes to admission arrangements for entry in following September, or if they have not consulted in the past 7 years</li> </ul> <b>Information and published guidance</b> <ul style="list-style-type: none"> <li>ESFA publishes guidance and workbook for the academy accounts return for the previous year just closed (Sept-Aug)</li> <li>DfE issues guidance on the Condition Improvement Fund (CIF) for the next year</li> <li>Audited financial statements submitted from 15 October</li> <li>ESFA publishes the 16 to 19 revenue funding allocation data current year</li> </ul> <b>Payment</b> <ul style="list-style-type: none"> <li>Second quarterly pupil premium payment for the current financial year</li> </ul>	<b>Audit:</b> <ul style="list-style-type: none"> <li>Trustee Report and Financial Statements</li> <li>Management Letter</li> <li>Agree adjustments</li> <li>Regularity Audit</li> <li>External audit start to contact schools / Trust to complete end of year audit</li> </ul> <b>Census:</b> <ul style="list-style-type: none"> <li>Use Census data to review income for specific ESFA grants</li> <li>Update finance management system with revised pupil numbers for future budgets</li> </ul>
November	<b>Trust action</b> <ul style="list-style-type: none"> <li>Deadline for new CIF applicants to register on the online portal</li> <li>Accounts return online form available</li> </ul> <b>Information and published guidance</b> <ul style="list-style-type: none"> <li>PE and sport premium conditions of grant and allocations issued for the current academic year</li> </ul> <b>Payment</b> <ul style="list-style-type: none"> <li>First payment of the PE and sport premium for the current academic year</li> </ul>	<b>Census:</b> <ul style="list-style-type: none"> <li>Submit Workforce Census</li> </ul> <b>Audit:</b> <ul style="list-style-type: none"> <li>External audit continue to complete end of year audit</li> </ul>

## Appendix 2. Annual Finance Planner (continued)



December	<b>Trust action</b> <ul style="list-style-type: none"> <li>Land and buildings collection tool online form available 15 December</li> <li>Deadline for Condition Improvement Fund (CIF) bids</li> </ul> <b>Announcement</b> <ul style="list-style-type: none"> <li>DfE announces the schools revenue funding settlement for the next academic/financial year</li> </ul> <b>Submit:</b> <ul style="list-style-type: none"> <li>Financial Statements to ESFA</li> </ul>	<b>Trust Action Accounts:</b> <ul style="list-style-type: none"> <li>Annual Return to Companies House For ELP</li> <li>Trustee Board to agree accounts and receive management letter</li> <li>Members to approve accounts</li> </ul> <b>Trust Action Budgets:</b> <ul style="list-style-type: none"> <li>Compile financial figures and assumptions based on October census and national increases such as pay and utilities</li> </ul>
January	<b>Academy Action</b> <ul style="list-style-type: none"> <li>Complete spring school census</li> </ul> <b>Trust Action</b> <ul style="list-style-type: none"> <li>Trusts submit their audited financial statements, auditor's management letter, internal scrutiny annual summary report and accounts submission coversheet by 31 January</li> <li>Complete and submit the land and buildings collection tool by 28 January</li> </ul> <b>Information and published guidance</b> <ul style="list-style-type: none"> <li>ESFA publishes outcomes of requests from LAs for changes to high needs places for the next academic year. Academies have 2 weeks to submit a query about the outcomes</li> </ul> <b>Payment</b> <ul style="list-style-type: none"> <li>Third quarterly pupil premium payment for the current financial year</li> </ul>	<b>Budgets:</b> <ul style="list-style-type: none"> <li>Principals draft staffing structures</li> <li>ABMs to review budget allocations and assumptions</li> </ul> <b>Census:</b> <ul style="list-style-type: none"> <li>Census (student numbers) to DfE – info given to ABMs</li> <li>Update your estimate UIFSM allocation from October and January data submitted</li> </ul> <b>Trust Action Accounts:</b> <ul style="list-style-type: none"> <li>Publish Academy Trust Accounts on Trust website</li> </ul>
February	<b>Trust Action</b> <ul style="list-style-type: none"> <li>Academies must determine their admission arrangements for entry in the September in 19 months time by 28 Feb</li> <li>Academies must publish their admissions appeals timetable for current year on their website by 28 Feb</li> </ul> <b>Information and published guidance</b> <ul style="list-style-type: none"> <li>ESFA issues guidance on following year funding allocations for open academies</li> <li>ESFA issues 16 to 19 allocation calculation toolkits (ACT) containing funding factors and student numbers, to schools and academies</li> </ul> School Budget Share allocations released	<b>Budgets:</b> <ul style="list-style-type: none"> <li>Continue to compile figures in budget for next academic year</li> <li>GAG funding statement issued</li> <li>Budget Assumptions issued by the Trust to schools to include:</li> <li>Review National ce Rates</li> <li>Review LGPS Contribution Rates</li> <li>Review TP Contribution Rates</li> </ul> <b>Audit:</b> <ul style="list-style-type: none"> <li>Internal Audit 1</li> </ul>
March	<b>Trust Action</b> <ul style="list-style-type: none"> <li>Academies must publish their admission arrangements for entry in September on their website and send a copy to their local authority by 15 March</li> <li>Trusts complete and submit the school resource management self assessment tool (SRMSAT) by 15 March</li> </ul> <b>Information and published guidance</b> <ul style="list-style-type: none"> <li>ESFA issues Academy revenue funding allocations for next year including 16 to 19 allocations (plus student support, 16 to 19 Bursary Fund and free meals in further education) where applicable</li> <li>ESFA publishes the Academies Accounts Direction</li> </ul>	<b>Budgets:</b> <ul style="list-style-type: none"> <li>Continue to compile figures in budget for next academic year</li> </ul> <b>Submissions:</b> <ul style="list-style-type: none"> <li>End of Year Local Government Pension report submitted by payroll providers to Local Authority</li> </ul>





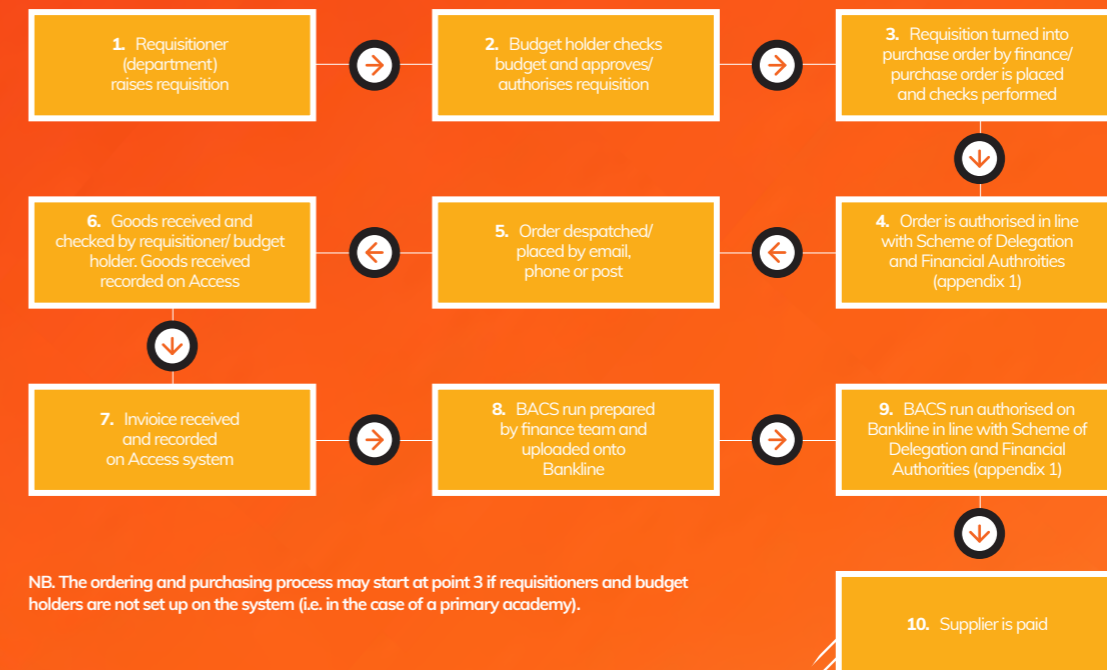
## Appendix 2. Annual Finance Planner (continued)

<b>April</b>	<p><b>Trust action</b></p> <ul style="list-style-type: none"> <li>16 to 19 revenue funding allocation business case for major data errors deadline 30 April</li> </ul> <p><b>Information and published guidance</b></p> <ul style="list-style-type: none"> <li>DESFA publishes 16 to 19 funding regulations guidance, funding rates and formula guidance for next academic year</li> <li>ESFA publishes 16 to 19 student support eligibility and guidance, including 16 to 19 Bursary Fund guidance</li> <li>DfE publishes the CIF outcome</li> </ul> <p><b>Payment</b></p> <ul style="list-style-type: none"> <li>Final quarterly pupil premium payment</li> </ul>	<p><b>Budgets:</b></p> <ul style="list-style-type: none"> <li>ABMs and CFO Draft Three Year Plan (3YP) based on budget assumptions</li> <li>Check LA website for LAC Pupil Premium and High Needs and adjust estimates on budget according to actual school level information</li> </ul>
<b>May</b>	<p><b>Academy action</b></p> <ul style="list-style-type: none"> <li>Complete summer school census</li> <li>Trusts must submit their audited financial statements to Companies House within 9 months of the end of the accounting period which is 31 May</li> </ul> <p><b>Information and published guidance</b></p> <ul style="list-style-type: none"> <li>ESFA publishes guidance and workbook for the budget forecast return three year (BFR3Y) for 2023</li> </ul> <p><b>Payment</b></p> <ul style="list-style-type: none"> <li>Final payment of the PE and sport premium for the academic year</li> </ul>	<p><b>Budgets:</b></p> <ul style="list-style-type: none"> <li>Submit first draft of budget to Trust – mid May</li> <li>Working budgets up to date</li> </ul> <p><b>Census:</b></p> <p>Complete</p> <p><b>Finance:</b></p> <ul style="list-style-type: none"> <li>Monitor all outstanding purchase orders, cancel those not live to free up commitments – ABMs</li> </ul> <p><b>Submissions:</b></p> <ul style="list-style-type: none"> <li>Corporation Tax return to HMRC</li> <li>Audit of Teachers Pensions EOY certificate by end of May. (Audited in September)</li> </ul>
<b>June</b>	<p><b>Trust Action</b></p> <ul style="list-style-type: none"> <li>Combined budget forecast return outturn and 3-year budget forecast return online form available</li> </ul> <p><b>Information and published guidance</b></p> <ul style="list-style-type: none"> <li>ESFA publishes the 2023 Trust Handbook</li> <li>ESFA publishes the 16 to 19 sub-contracting controls guidance</li> </ul>	<p><b>Budgets:</b></p> <ul style="list-style-type: none"> <li>Final UIFSM allocations will be confirmed (from Oct &amp; Jan census data)</li> <li>Approve budget (3YP) at LGB</li> <li>Approve budget (3YP) at Trustee Board</li> <li>Deadline approaching for expenditure for financial year end of August. All critical expenditure stops end of May-primaries, end of June - secondaries</li> </ul> <p><b>Audit:</b></p> <ul style="list-style-type: none"> <li>Hold annual audit meeting with auditors (CFO, Accounting Officer and Chair of FOC) and agree dates with auditors for year-end audit</li> </ul> <p><b>Finance:</b></p> <ul style="list-style-type: none"> <li>ABMs meet with Finance Officer/Manager to clear outstanding purchase orders</li> <li>Review budgets unspent and reallocate to other projects in school to achieve before end of year</li> </ul> <p><b>Audit:</b></p> <ul style="list-style-type: none"> <li>Internal Audit 2</li> </ul>
<b>July</b>	<p><b>Information and published guidance</b></p> <ul style="list-style-type: none"> <li>ESFA refreshes the 16 to 19 interactive census tools</li> <li>DfE publishes the academies sector annual report and accounts (SARA)</li> </ul>	
<b>August</b>	<p><b>Payment</b></p> <ul style="list-style-type: none"> <li>Final payment for UIFSM</li> <li>Quarter 1 payment of Pupil Premium</li> <li>Complete end of year arrangements</li> <li>Arrange for valuation of LGPS pension scheme – every 3 years</li> </ul> <p><b>Trust Action</b></p> <ul style="list-style-type: none"> <li>Complete and submit the combined budget forecast return outturn and 3-year budget forecast return</li> </ul>	<p><b>Budgets:</b></p> <ul style="list-style-type: none"> <li>Budgets uploaded to system for new year. Once complete, Purchase orders may be raised for urgent supplies required for beginning of Autumn Term</li> <li>Finance team preparing end of year Company Accounts and financial statements for October annual audit.</li> </ul> <p><b>Submissions:</b></p> <p>Submit Budget Forecast (BFR) for next academic financial year</p>

## Appendix 3. Current Officers and Approved Providers

Chief Executive Officer and Accounting Officer	Beryce Nixon
Deputy Chief Executive Officer/Deputy Accounting Officer	Andrew Hibbitt
Chief Financial Officer	Phil Wilkinson
Chair of Board of Directors	John Blount
Trust Bankers	Royal Bank of Scotland
Internal Auditors	Juniper Education
Payroll	Rotherham Metropolitan Borough Council (RMBC) Payroll Services
Solicitors	Wilkin Chapman LLP
External (Year End) Auditors	BHP Chartered Accountants

## Appendix 4. Order and Purchasing Process







# Appendix 5. Month End Checklist (to be completed by all Academies as part of Month End Procedures)



## Exceed Learning Partnership

### Month End Procedures - Checklist

#### Cash Book

Post all invoices/ credit notes in the month  
Post all income for the month  
Petty cash - post transactions, ensure cash balances to ledger at month end and cash tin balances  
Post up credit card statement  
Post credit card payment  
Reconcile & print off reconciliation reports

Bank Reconciliation (2 Signatures)  
Petty Cash (1 Signature - Bus Mgr)  
Credit Cards (2 Signatures)

Date Completed	Completed by (sign):

#### Sales ledger/customers

Raise monthly sales invoices on the sales ledger. Make sure all sales invoices are on.  
Post/ raise any 'internal transfer' invoices to other schools within the Trust  
Run aged debtor and review aged balances. Check to trial balance

Review old balances on aged debtor report and check if further action needed or write offs.

Aged Debtor Report	Check to Trial Balance

#### Purchase ledger/creditors

Post all purchase invoices onto the purchase ledger. Make sure all purchase invoices are on.  
Post/ raise any 'internal transfer' invoices to other schools within the Trust  
Review outstanding PO commitments to see if all still genuinely outstanding  
Run aged creditor report and review aged balances. Check to trial balance

Review old balances on aged creditor report and check if further action needed or write offs.

Aged Debtor Report	Check to Trial Balance

#### Month end adjustments

Calculate and post month end adjustments.  
Ensure balance per spreadsheet agrees to balances per trial balance

Prepayments	Accruals	Accrued income	Deferred income	Stock

#### Staffing

Ensure employee file includes copy of signed offer of employment letter, signed by Principal  
Ensure payroll reports are checked by the HR Manager (Secondaries)/ Business Manager (Primaries).  
HR Manager (Secondaries)/ Business Manager (Primaries) to sign and date payroll reports  
Ensure payroll reports are authorised by the Business Manager (Secondaries)/ Principal (Primaries) and dated prior to payroll being paid


#### Payroll control

Post monthly payroll journals  
Update payroll summary spreadsheet for this months payroll  
Reconcile payroll control account on TB to workings


#### Nominal Ledger Review

Review nominal ledgers and repost any journals misposted to correct codes  
Review capital codes 550100, 550250, 550450, 710201, 710202, 710203 to ensure only CIF/ DFC income and expenditure is posted here


#### GIAS/ websites

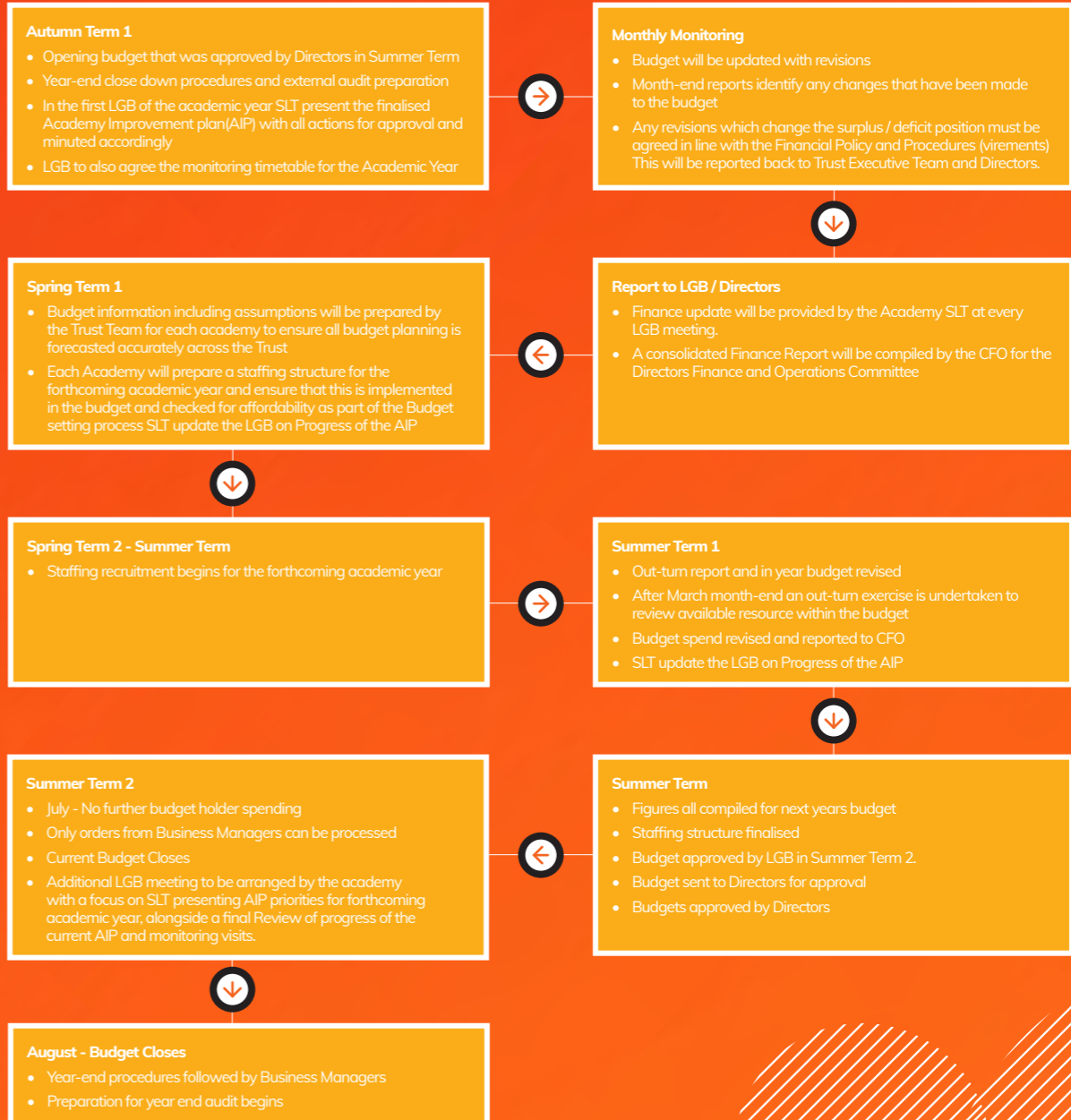
Update for any changes during the month. Check all up to date.


#### Month end reporting - reports to be sent to CFO as well as Principal

Complete monthly monitoring report with variances. Ensure correct format  
Produce Balance Sheet and ensure control accounts agree to workings  
Aged creditors (with comments if necessary)  
Aged debtors (with comments if necessary)  
Month end adjustments workings/ pro formas.  
Payroll reconciliation/ payroll summary  
Bank reconciliation


Principal Signature ..... Date .....

# Appendix 6. ELP Budget Setting and Strategic Planning Meetings







**Exceed Learning Partnership**

• EVERY CHILD • EVERY CHANCE • EVERY DAY •

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