

# Old Dalby C of E Primary School



## Finance Policy

*To be used in conjunction with the;*

- *ESFA Handbook*
- *Causes for Concern policy*

Let us be concerned for one another, to help one another to show love and to do good.

Hebrews 10:24

Next review due: March 202~~5~~<sup>6</sup>

**Kind hearts. Open Minds. Courageous Spirits**  
**Together, we will explore life in all its fullness.**

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## **1. Introduction**

1.1 The purpose of this policy is to ensure that Old Dalby CE Primary School maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our Funding Agreement with the Department for Education (DfE ESFA)

1.2 The School must comply with the principles of financial control outlined in the Academies' Guidance published by the DfE ESFA. The latest addition of the DfE ESFA Handbook provides detailed information on the School's accounting procedures and system manual should be read by all staff involved with financial systems.

## **2. Organisation**

2.1 The Governing Body has defined the responsibilities of each person involved in the administration of School's finances to avoid the duplication or omission of functions and to provide a framework of accountability for Governors and staff. The financial reporting structure is illustrated below:

### **The Governing Body**

2.2 The Governing Body has overall responsibility for the administration of the School's finances. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the School and the DfE ESFA and in the School's scheme of governance. The main responsibilities include:

- ensuring that the grant from the ESFA is used only for the purposes intended;
- approval of the Annual Budget;
- appointment of the Headteacher;
- appointment of the Accounting Officer and the Responsible Office, in conjunction with the Headteacher.

### **The Personnel and Finance Committee**

2.3 The Personnel and Finance Committee is a committee of the Governing Body. The Personnel and Finance Committee meets at least once a term but more frequent meetings can be arranged if necessary.

2.4 The main responsibilities of the Personnel and Finance Committee are detailed in written Terms of Reference which have been authorised by the Governing Body. The main responsibilities include:

- 2.4.1 To consider and make recommendations to the Governors on all financial and budgetary matters not delegated either to the Headteacher or to other Committees, including:
- the preparation of the annual budget for the School and of any periodic review of budget monitoring reports;
  - ensuring all spends are within the framework of the School's Development Plan
  - all finance policies;
  - authorising contracts between £5,000 and £29,999; [Caterers?](#)
  - approval of arrangements to secure compliance with financial regulations;
  - Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE ESFA guidance issued to academies.

### **The Headteacher**

2.5 Within the framework of the School's Development Plan, as approved by the Governing Body, the

Headteacher has overall executive responsibility for the School's activities including financial activities up to £5,000. Some of the financial responsibility has been delegated to the subject coordinators and class teachers but the Headteacher still retains responsibility for:

- Recommending to the Personnel and Finance Committee new staff appointments/change of current contracts within the authorised establishment – all staff posts which the Governing Body have agreed should be approved by them (teaching staff and deputy headteacher);
- Authorising contracts up to £4,999 in conjunction with the Deputy Headteacher and/ or Bursar.
- Signing cheques and BACS transfers in conjunction with the Deputy Headteacher/Chair of Governors.

**Commented [RB1]:** Possibly include Assistant Heads

#### **Bursar and Office Manager**

**2.6** The Bursar and Office manager work in close collaboration with the Headteacher through whom they are responsible to the Governors. The Bursar also has direct access to the Governors via the Personnel and Finance Committee. The main responsibilities of the Bursar and Office Manager are:

Office Manager:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- Authorising overtime payments to Premises staff, sickness returns, midday supervision and mileage claim forms.

Bursar:

- the management of the School's financial position at a strategic and operational level within the framework for financial control determined by the Governing Body;
- 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 School;
- The preparation of monthly management accounts;
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance.

### **The Responsible Officer**

**2.7** The Responsible Officer (RO) is appointed by the Governing Body and provides Governors with an independent oversight of the School's financial affairs. The main duties of the RO are to provide the Governing Body with independent assurance that:

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

**2.8** The Responsible Officer will undertake a programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Governing Body. A report of the findings from each visit will be presented to the Resources Committee. Detailed guidance on the transactions to be checked by the RO is given in Appendix A.

### **Other Staff**

**2.9** Other members of staff, primarily the curriculum coordinators and class teachers, will have some financial responsibility. All staff are responsible for the security of School's property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the School's financial procedures.

### **The Auditors/Responsible Officers**

**2.10** The Members have appointed TC Group to act as accountants/auditors:

- in general terms, the Auditors are an advisory Body without executive powers;
- the Auditors have authority to investigate any activity that it deems relevant to its inquiries and to seek any information from staff that it requires;
- the Auditors will work with the Responsible Officer to ensure they are accorded full co-operation and receive and consider their reports;
- the Auditors will seek to promote a climate of financial discipline and control to help ensure the highest standards of probity and efficiency.

### **Register of Interests**

**2.11** This is an agenda item at all Governors meetings.

### **3. Accounting System**

**3.1** All the financial transactions of the School must be recorded on the School accounting system, FMS.

### **System Access**

**3.2** Entry to the FMS system is password restricted and the Bursar/ Office Manager are responsible for implementing a system which ensures that passwords are changed regularly.

**3.3** Access to the component parts of FMS can also be restricted and Bursar/ Office Manager are responsible for setting access levels for all members of staff using the system.

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#### **Back-up Procedures**

- 3.4 All ~~back-up procedures are carried out weekly. All back-up information is~~ are stored on a secure cloud.

#### **Transaction Processing**

- 3.5 All transactions input to the accounting system must be authorised in accordance with the procedures specified on the Record of Financial Responsibility.
- 3.6 Detailed information on the operation of the accounting system can be found in the user manuals held in the Office.

#### **Transaction Reports**

- 3.7 The Bursar and Office 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:
- master file amendment reports for the payroll, purchase ledger and sales ledger;
  - management accounts summarising expenditure and income against budget at budget holder level;
  - other reports as required.

#### **Reconciliations**

- 3.8 The Office Manager is responsible for ensuring that reconciliations are performed each month, reconciling bank statements in accordance with the daily automatic transfers between the current account and the first reserve account, and that any reconciling or balancing amounts are cleared:
- 3.9 Any unusual or long outstanding reconciling items must be brought to the attention of the Bursar. The Bursar will review and sign all reconciliations as evidence of their review.

#### **4. Financial Planning**

- 4.1 The School prepares both medium term and short-term financial-plans, in accordance with School Development Plans ~~and~~ Governors' Strategic Plan.
- 4.2 The medium-term financial plan is prepared as part of the development planning process. The development plan indicates how educational and other objectives are going to be achieved within the expected level of resources over the next three years.
- 4.3 The development plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the School and the planned use of those resources for the following year.
- 4.4 The development planning process and the budgetary process are described in more detail below.

#### **School Evaluation and Development Planning**

- 4.5 Development Planning takes place annually and draws upon the evaluation of the School's current performance as well as upon likely internal and external changes that affect the School. The evaluation outlines several 'areas for development' over coming years; more detailed plans show what aspects are

being tackled in the current year.

**4.6** Development Planning is also informed by budgetary considerations and significant financial costs are indicated in the Plans and cross-referenced in the Budget.

**4.7** The School Evaluation and Development Plans and the Annual Budget are considered and approved by the Governing Body at the same meeting, but the process is continuous and subject to constant evaluation and review.

**4.8** The annual cycle of evaluation and development planning is as follows:

**Autumn Term:**

- New School Budget and School Evaluation and Development Plans come into effect.
- Subject analysis, evaluations and plans are finalised and approved.
- Governors review outcomes against targets set.
- Quality Assurance lesson observations inform further consideration of - developments.
- Teachers' ~~Appraisal-Performance~~ Reviews are informed by identified School's needs and, in turn, inform future training needs.
- First evaluation of new Plans and Actions by (a) SLT and (b) Governors Personnel and Performance Review Committee.
- Governing Body sets targets for each of the cohorts

**Spring Term**

- Evaluation of current Plans and Actions by (a) SLT and (b) Governors Performance Review Committee.
- Quality Assurance lesson observations inform further consideration of developments.
- Initial work on the draft Budget Plan for next Academic year.
- First draft of Evaluations for the next year and first consideration of next year's Development Plan actions.

**Summer Term:**

- Evaluation of current Plans and Actions by (a) SLT and (b) Governors Personnel and Performance Review Committee.

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- New School Budget Plan finalised and approved by Governing Body.
- New School Evaluation and Development Plans finalised and approved by Governing Body.
- Departments complete their new Evaluations and draft their Development Plans.

**4.9** Members of SLT take responsibility for different sections of the School Evaluation and Development Plans document. The Headteacher is responsible for co-ordinating the process.

#### **Annual Budget**

**4.10** The Bursar is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Headteacher, Personnel and Finance Committee and the Governing Body.

**4.11** The approved budget and other required information must be submitted to the ESFA by the published deadline and the Bursar is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission dates are met.

**4.12** The annual budget will reflect the best estimate of the resources available to the School for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

**4.13** The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of ESFA grant receivable;
- review of other income sources available to the School to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of the School's cost base;
- identification of potential efficiency savings;
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

#### **Balancing the Budget**

**4.14** Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

#### **Finalising the Budget**

**4.15** Once the different options and scenarios have been considered, a draft budget should be prepared by the Bursar for approval by the Headteacher, the Personnel and Finance Committee and the Governing Body. The budget (once agreed by the Governing Body) should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

- 4.16 The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

#### **Monitoring and Review**

- 4.17 Monthly reports will be prepared by the Bursar. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Headteacher, the Personnel and finance Committee
- 4.18 Any potential overspend against the budget must in the first instance be discussed with the Bursar. The accounting system (FMS) will not allow payments to be made against an overspent budget without the approval of the Headteacher
- 4.19 The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate.

#### **5. Payroll**

- 5.1 The main elements of the payroll system are:  
Staff appointments;  
Payroll administration and  
Payments.

#### **Staff Appointments**

- 5.2 The Governing Body approves a personnel structure for the School year. Changes can only be made to this establishment with the express approval in the first instance of the Personnel and Finance Committee who must ensure that adequate budgetary provision exists for any establishment changes.
- 5.3 The Office Manager maintains personnel files for all members of staff which include contracts of employment ~~and details of appraisal outcomes and changes to pay, and annual appraisals following the introduction of Performance Management Pay.~~ All personnel changes must be notified, in writing, to the Office Manager immediately.

#### **Payroll Administration**

- 5.4 The School payroll is administered by our contractor, ~~EMSS through Leicestershire EPM,~~ and payroll transactions re-entered/imported to FMS. All reports and queries are dealt with by an additional 'secure' email - ~~AnyCommsEgress.~~ Access to the system is password controlled. Password control procedures and backup arrangements are described in section two of this manual.
- 5.5 All staff are paid monthly through ~~EPMMSS.~~

#### **Payments**

- 5.6 All salary payments are made by BACS.
- 5.7 The Bursar should prepare a reconciliation between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc. This reconciliation should be reviewed and signed by the Headteacher.
- 5.8 The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions.
- 5.9 -All staff salary payments are reconciled to the budget allocated.
- 5.10 After the payroll has been processed the nominal ledger will be updated. Postings will be made both to the payroll control account and to individual cost centres. The Bursar should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account. The necessary bank account reconciliations must also be carried out.
- 5.11 On an annual basis, the Office Manager must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file. See also 5.9.

## **6.Purchasing**

- 6.1 The School wants to achieve the best value for money from all our purchases. This means obtaining the correct quality, quantity and time at the best price possible. 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 principles of:

**Probity**, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the College;

**Accountability**, the School is publicly accountable for its expenditure and the conduct of its affairs;

**Fairness**, that all those dealt with by the School are dealt with on a fair and equitable basis.

### **Routine, maintenance and repair/replacement pPurchasing**

- 6.2 Budget holders will be informed of the budget available to them at least one week before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A report detailing actual expenditure against budget will be supplied to each budget holder, on request, within a week after the end of each month and budget holders are encouraged to keep their own records of orders placed but not paid for.
- 6.3 Routine purchases up to £999 or limit of budget can be ordered by budget holders and approved by the Headteacher. In the first instance, a supplier should be chosen from the list of approved suppliers maintained by the Office Manager. **A single quote or price** must always be obtained before any order is placed with a supplier from the approved list. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Headteacher. In this instance, a single quote must be compared with a supplier from the approved list.

6.4 Orders must be made, or confirmed, in writing using an official order form. Orders must bear the signature of the budget holder and Headteacher and must be forwarded to the Office Manager for processing.

If a member of staff completes an internet/telephone order where payment is required immediately, delivery and invoice must be addressed to the School.

**IMPORTANT – if staff use their own personal credit/debit card they do so at their own risk, the School will not accept liability for any loss incurred**

6.5 Official orders from FMS must be signed by the Headteacher. Contingency procedures are in place in the event of an emergency are available.

6.6 The Office Manager must make appropriate arrangements for the delivery of goods to the School. On receipt, there must be a detailed check of the goods received against the goods received note (GRN). Any discrepancies between the goods delivered and the GRN must be reported to the Office Manager. Discrepancies should be discussed with the supplier of the goods without delay.

6.7 If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Office Manager will keep a central record of all goods returned to suppliers.

6.8 All invoices should be sent to the Office Manager in a timely manner.

6.9 The invoices will be matched to GRN and signed by the budget holder to be certified. The Office Manager will then input the invoice/s onto FMS.

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6.10 At the end of every week or more often if required, the Office Manager will review the invoices due for payment. Cheques/BACS payments will be raised, being authorised by the nominated signatories

6.11 The Office Manager will arrange for cheques and BACS payments to be raised and authorised by nominated signatories and also for cheques or individual BACS payments above £5,000 requiring Governing Body approval, for Chair of Governors signature to be obtained.

Amount	Approval required
Up to £999	Budget Holder and Headteacher
£1000 - £4999	Deputy Headteacher and Headteacher
<u>Upto £7500 to Coombs Catering</u>	<u>Deputy Headteacher and Headteacher</u>
£5000 and over, <u>non-catering</u> <u>£7501+ for Coombs Catering-Caterers?</u>	Headteacher and Chair of Governors

Commented [RB2]: Possibly add Assistant Heads

6.12 Cheques/BACS will be dispatched to suppliers by the Office Manager.

6.13 When purchases are made using a school debit card, there should be two card holders present. An order

form should be completed and authorised by the appropriate co-ordinator or the Headteacher. Receipts should be printed as soon as possible and handed to the Office Manager.

- 6.14** Unless using a supplier from the authorised list, at least three written quotations should be obtained for all orders between £1,000 and £29,999 to identify the best source of the goods/services. All orders over £2500 should have three written quotations regardless of supplier. Written details of quotations obtained should be prepared and retained with copy order off FMS for audit purposes. Telephone and email quotes are acceptable if these are evidenced and written confirmation of quotes has been received before a purchase decision is made.
- 6.15** All goods/services ordered with a value over £30,000, or for a series of contracts which in total exceed £30,000 must be subject to formal tendering procedures. Competitive tendering can be considered below this figure, in the interests of best value. In all cases, the need for procurement will be clarified before proceeding.
- 6.16** The Headteacher has authority to agree any contract up to the value of £5,000 (five thousand pounds) per year. Over £5,000 must be agreed by the Personnel and Finance Committee before final agreement with the company.

Contracts under £1,000 exc VAT can be paid in full and there is no requirement to include within the accruals process if payment involves two financial years.

#### **Forms of Tenders – It is proposed Project Managers will be appointed**

All goods/services ordered with a value over £30,000

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

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

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

Restricted tenders are appropriate where:

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

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

- The above methods have resulted in either no or unacceptable tenders,
- Only one or very few suppliers are available,

- Extreme urgency exists,
- Additional deliveries by the existing supplier are justified.

**Preparation for Tender**

**6.18** Full consideration should be given to -  
 Objective of project  
 Overall requirements  
 Technical skills required  
 After sales service requirements  
 Form of contract.

**6.19** It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

**Invitation to Tender**

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

**6.21** An invitation to tender should include the following:

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

**Aspects to Consider**

**Financial**

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

**Technical/Suitability**

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

**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.

#### **Tender Acceptance procedures**

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

#### **Tender Opening Procedures**

- 6.23** All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons must be present for the opening of tenders as follows:
- For contracts up to £10,000 – Personnel and Finance Governors
  - For contracts over £10,000 – Full Governing Body
- 6.24** A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

#### **Tendering Procedures**

- 6.25** The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.
- 6.26** Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.
- 6.27** Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the Full Governing Body highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should also be agreed by the Personnel and Finance Committee.
- 6.28** Where required by the conditions attached to a specific grant from the ESFA, the Department's approval must be obtained before the acceptance of a tender.
- 6.29** The accepted tender should be the one that is economically most advantageous to the School. All parties should then be informed of the decision.

### **7. Income**

- 7.1** The main sources of income for the School are the grants from the ESFA and Leicestershire County

Council. The receipt of these sums is monitored directly by the Bursar who is responsible for ensuring that all grants due to the School are collected.

7.2 The School also obtains income from:

- Parental contributions
- Lettings
- Donations e.g. LIONS/Rotary

#### **Trips**

7.3 Trips are administered in accordance with Academy Financial Management regulations.

7.4 A lead teacher must be appointed for each trip. For residential trips the Office Manager will prepare a record for each student intending to go on the trip showing the amount due.

7.5 Parents should make payments via Arbor or by handing to the Office Manager. Payment receipts will be provided via Arbor.

7.6 The Office Manager will maintain an up to date record for each student showing the amount paid and the amount outstanding. ~~This record should be sent to the lead teacher on a weekly basis and the lead teacher is responsible for chasing the outstanding amounts. Office staff will follow up with parents and carers for outstanding payments.~~

**Commented [RB3]:** Office staff follow up outstanding payments

7.7 For class trips, the Office Manager will produce a class list showing payments and outstanding amounts.

#### **General Lettings**

7.8 For procedures concerning Lettings see the Lettings policy

#### **Custody**

7.9 Official receipts should be issued for all cash and cheques received e.g. dinner money register, class list for trip payments etc. All cash and cheques must be kept in the safe prior to banking. Banking should take place before the sums collected exceed the insurance limit on the safe.

7.10 Monies collected must be banked in their entirety into the appropriate bank account. The Office Manager is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting systems.

### **8. Cash Management**

#### **Bank Accounts**

8.1 The opening of all accounts must be authorised by the Governing Body who must set out, in a formal

memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

#### Deposits

8.2 Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

- The amount of the deposit and
- A reference, such as the number of the receipt or the name of the debtor.

#### Payments and withdrawals

8.3 All cheques and other instruments authorising withdrawal from School bank accounts must bear the signatures of the following authorised signatories:

- 2 of the Headteacher, Deputy Headteacher or Chair of Governors up to £4,999;
- The Headteacher/Deputy Headteacher and Chair of Governors – ~~above~~ £5,000 and above

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8.4 This provision applies to all accounts operated by or on behalf of the Governing Body of the School.

#### Administration

8.5 The Office Manager must ensure bank statements are received regularly and that reconciliations are performed within three days of receipt. Reconciliation procedures must ensure that:

All bank accounts are reconciled to the School's cash book  
Reconciliations are prepared by the Office Manager.

#### Petty Cash Accounts

8.6 The School maintains a maximum cash balance of £150. The cash is administered by the Office Manager and is kept in the ~~Reception-Office~~ safe. Personal cheques will not be cashed.

#### Deposits

8.7 The only deposits to petty cash shall be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

#### Payments and Withdrawals

8.8 In the interests of security, petty cash payments will be limited to £30. Higher value payments should be made by cheque/BACS directly from the main bank account. All payments must be supported by VAT

invoices/receipts and must be signed for by recipient and authorised by the budget holder.

#### **Administration**

- 8.9 The Office Manager is responsible for balancing all transactions into the petty cash records on a weekly basis and the Office Manager will record on FMS and reconcile to supporting documentation.

#### **9. Fixed Asset/equipment**

##### **Asset/equipment Register**

- 9.1 All items purchased with a value over £250 must be entered in an asset/equipment register. Items purchased over £10,000 will be classed as a capital depreciation item.

The Office Manager is required, on a yearly basis, to check the register and report any discrepancies to the, in order to report discrepancies to the Personnel and Finance Committee

The asset/equipment register should include the following information:

- Asset/equipment description
- Asset/equipment number
- Serial number
- Date of acquisition
- Date of disposal as necessary

- 9.2 The Asset/Equipment Register helps:

Ensure that staff takes responsibility for the safe custody of asset/equipment;

Enable independent checks on the safe custody of asset/equipment, as a deterrent against theft or misuse;

To manage the effective utilisation of asset/equipment and to plan for their replacement; Help the external auditors to draw conclusions on the annual accounts and the school's financial system and

Support insurance claims in the event of fire, theft, vandalism or other disasters.

##### **Security of asset/equipment**

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

this should be noted.

#### **Disposals**

- 9.5 Items which are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher and, where significant, should be sold following competitive tender
- 9.6 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the School obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the School would need to ensure licences for software programmes have been legally transferred to a new owner.
- 9.7 The School is expected to reinvest the proceeds from all asset/equipment sales for which capital grant was paid in other School asset/equipment.
- 9.8 **All disposals of land** must be agreed in advance with the Secretary of State.

#### **Loan of asset/equipment**

- 9.9 Items of School property must not be removed from School premises without the authority of the Headteacher or Deputy Headteacher. A record of the loan must be recorded in a loan ~~book~~ agreement and booked back into the School when it is returned. This register is held in Reception.
- 9.10 If asset/equipment are on loan for extended periods or to a single member of staff on a regular basis (e.g. laptops) the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the School's auditors.

#### **10. Tax**

- 10.1 The School is not registered for VAT purposes as business activity is not expected to exceed £73,000 per annum.
- 10.2 VAT claims are made to the HMRC every month. Claims will be made only for invoices in the name of the School.
- 10.3 Any payments to contractors and subcontractors are made in accordance with the Construction Industry Scheme.

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#### **11. Audit**

- 11.1 The School has appointed ~~TC Group~~ Fertus as its auditors for the financial year 202~~4~~ 52-23.
- 11.2 The School has appointed ~~Richard Buckley~~ Dilun Mistry in the role of Responsible Officer for the financial year 202~~42~~ 23.

#### **12. Insurance (building, content and public liability through LCC)**

- 12.1 The School reviews all risks annually to ensure the cover available and the sums insured are adequate.
- 12.2 The School will notify the insurers of any new risks or any other alterations affecting existing insurance.
- 12.3 The School will not give any indemnity to a third party.
- 12.4 The School will immediately advise the insurers of any accident, loss or other incident which may give rise to an insurance claim.

### **13. Bad Debts**

- 13.1 The procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable will follow this guidance.
- 13.2 Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. If this is not possible, an invoice will be issued.
- 13.3 All debts will be recorded and non-payment will be followed up by issuing reminders at the following intervals:-
  - 3 weeks from date of account- 1<sup>st</sup> reminder
  - 6 weeks from date of account- 2<sup>nd</sup> reminder
  - 8 – 10 weeks from date of account- final reminder

The final reminder is sent by recorded delivery and threatens legal action if the account is not settled within 14 days.

After 10 weeks from the date of the account, where the debt is still outstanding, legal action may be considered, and the debtor will be informed of this in writing.

- 13.4 If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off in accordance with the following procedures:-

The Headteacher on behalf of the School must provide 30 days' notice to the Secretary of State for Education of its intention to write off any debts owed to it as set out in Section 83 of School's Funding Agreement. This notice is required whether or not the circumstances require the Secretary of State for Education's approval (see below).

Those debts *below* the value set out in the Annual Letter of Funding can then be approved and written off by the Finance Committee reported to the next meeting of the Governing Body in accordance with section 2.67 of the Academies' Financial Handbook.

Any proposed write off of debts *above* the value set out in the Annual Letter of Funding require the prior written consent of the Secretary of State for Education in accordance with section 82 of the

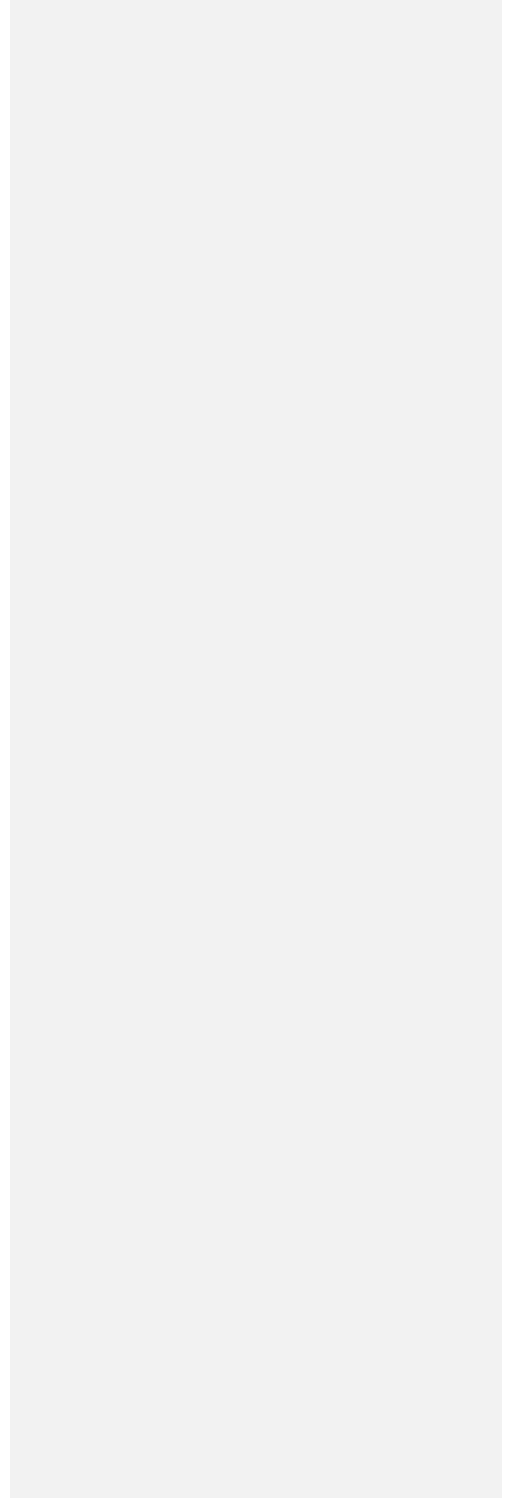
College's Funding Agreement.

- 13.5** To ensure sound internal control, staff who raise invoices, will not have the authority to write off debts. The VAT element of any debt must not be written off, as this contravenes HM Revenue & Customs statutory requirements.
- 13.6** The School will retain a Bad Debt Write-Off Summary.

**14. Redundant Equipment**

- 14.1** The Governing Body has the authority to declare equipment, furniture or other asset/equipment or stores, surplus to requirements and to make arrangements for their sale or write off, provided that the items concerned were purchased in whole or in part with a grant from the Secretary of State for Education.
- 14.3** Where the estimated disposal value of surplus or redundant asset/equipment is less than £500 or sale is to be by public auction or competitive tendering, disposal can be authorised by the Headteacher.
- 14.4** The prior approval of the Governing Body will be required if;
- The estimated disposal value is above £500 and the sale is not to be by public auction or competitive tendering;
  - The estimated disposal value is above £500 or;
  - The sale is to be to a Governor or employee of the School.
- 14.5** The proceeds of any sale of asset/equipment will be deposited in an account agreed by the Governors' Personnel and Finance Committee.
- 14.6** The prior written consent of the Secretary of State for Education is required in accordance with section 89 of the School Funding Agreement as follows;
- Before the disposal of any asset/equipment for which a grant of over £20,000 was made, or land and buildings which had been transferred from the Local Authority at no cost to the School.
  - Before the sale or disposal by other means, or reinvestment of proceeds from the disposal of an asset/equipment or group of asset/equipment, for which a capital grant in excess of £20,000 was paid.
- 14.7** As set out in section 93 of the School Funding Agreement the School will provide 30 days written notice to the Secretary of State for Education of its intention to dispose of asset/equipment for a consideration less than the best price that can reasonably be obtained, whether or not such disposal requires the Secretary of State for Education's consent as detailed above.

**APPENDIX A**



<b>Delegated Authority</b>		
<b>Governor's Personnel and Finance Committee</b> <b>Responsible for finances and Human Resources</b> <b>(A quorum will consist of two Governors plus Principal &amp; Business Manager)</b>	Chair of Governors	C Todd
	Headteacher	R Browne
	Governor	M Nicholson
		<a href="#">C Page</a>
	Ex Officio (incumbent)	
<b>Responsibility for implementing agreed policies and maintaining day to day control of the College finances and accounts.</b>	Headteacher	R Browne
<b>Assisting the Headteacher in the discharge of financial responsibilities</b>	Bursar	T Hudson-Goater
	Office Manager	L Bridgeman
<b>All cheques and debit card orders and orders up to the value of £4999- two signatures – Headteacher/Deputy/Chair of Governors</b>	Headteacher	R Browne
	Deputy Headteacher/Assistant Headteacher	K Keast R Horan M Alderson
	Chair of Governors	C Todd
<b>All cheques £5000-£9999 must be authorised by Personnel and Finance Committee and signed by any two signatures – Headteacher or Deputy and Chair of Governors</b>	Headteacher	R Browne
	Deputy Headteacher/Assistant Headteacher	K Keast R Horan M Alderson
	Chair of Governors	C Todd
<b>Invoices/cheques with a single total over £10000 must be authorised by the Full</b>	Headteacher	R Browne

Agreed by Full Governing Body

<b>Governing Body - - two signatures – Headteacher or Deputy and Chair of Governors</b>	Deputy Headteacher/Assistant Headteacher	K Keast R Horan M Alderson	
	Chair of Governors	C Todd	
<b>BACS payments as above re amount</b>			
<b>Teachers/Support Staff claim forms i.e. additional hours, mileage, change of contracts (agreed by GRC) (one signature )</b>	Headteacher	R Browne	
	Deputy Headteacher/Assistant Headteacher	K Keast R Horan M Alderson	

<b>Premises Staff claims/contracts, midday supervision and sickness forms</b>	Office Manager	L Bridgeman	
<b>Curriculum pro-forma orders by</b>	Curriculum coordinator	K Keast	
<b>Admin, Premises, Support pro forma orders</b>	As above for invoices and cheques	L Bridgeman	
<b>All orders produced off FMS (one signature) Note in the event of emergency, Office Manager to seek authority from any member of the Governing body to sign</b>	Headteacher	R Browne	
	Deputy Headteacher/Assistant Headteacher	K Keast R Horan M Alderson	

<b>The Governing Body will remain accountable when Governors' financial responsibilities are delegated.</b>	
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**APPENDIX B**  
**Record of Financial Responsibility**

Old Dalby CE Primary School	Financial Year: 2022-23
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Date approved:	October 2022	Date of final review:	October 2023
Signed:	Chair of Governors		

**Approval of Budget:**

Delegated to: Consistent with the Governing Body Decision Planner and	Finance Committee
Date of meeting to approve plan	
Date budget plan submitted to ESFA	19 <sup>th</sup> July 2022

**Financial Reporting Arrangements:**

	Monthly	Termly	Annually
<b>Personnel and Finance Committee</b>	Monthly Governors overview	Governors Report	Whole budget review
<b>Bursar/ Office Manager to Headteacher</b>	Position advised to Personnel and Finance through reports on Sharepoint	Up to date reports monitored as part of committee meetings	Assist Headteacher's end of year reports for companies house etc
<b>Budget Holder</b>	Office Manager provides monthly budget reports		

**Bank account details:**

Bank Account Name	Sort Code	Account Numbers
Nat West Bank	60-14-20	54690285
Bank Signatories( <i>minimum3</i> )		
Rosie Browne (Headteacher) J Scott, K Keast (Deputy Headteachers)	Christine Todd (Chair of Governors)	

**APPENDIX C**  
**Staff Guidance to Finance Procedures**

In order to meet DfE ESFA Budgetary Control, 2013 DfE Handbook, Charities Commission Guidance and VAT Guidance Notes, all Staff are required to adhere to the following procedures:

**1. Orders – all orders for to be agreed with coordinator before order placed**

- To be raised on the budgetary control system (FMS) to monitor expenditure
- Complete an order form this **must be signed by the person responsible for the budget** - these will be returned if not signed
- Pass to the Bursar/Administration for processing
- For audit purposes the written order form will be kept with a copy of the official order
- **Cost Centre** = coordinator budget
- **Ledger Codes**
  
- Please note – DfE ESFA, Ofsted and Auditors use our budgetary system to obtain reports on how money is spent in the various areas
- Please be aware that when ordering clothing, i.e. PE Kit, for parents to purchase, depending on size will depend on whether or not they are subject to VAT – please check with either supplier or admin office/BM before any prices are advised to parents/pupils. The VAT element must be shown as part of the income.

Receipt of the goods

- The coordinator who places the order is responsible for checking the delivery note to the goods and the order (except ESPO)
- The **delivery note is then to be signed and placed in the tray in the Admin Office**. Please write any discrepancies or instructions on this note should you not wish the invoice to be paid
- **Note** – various coordinators order inspection copy books direct, please check all the packaging when received for invoices, correspondence etc as we are receiving several reminders for non-payment. If keeping the books please sign the invoice and forward to admin office for payment.

Invoices

- Will be paid against a signed delivery note
- VAT can only be claimed against a full VAT invoice i.e. pre printed with the suppliers name, address, VAT number and invoice number. The VAT must be shown separately to claim it back. All invoices **must be addressed to the School** if VAT is not to be paid – be careful when ordering items using personal credit cards.
  - If a delivery note is not available the invoice will be labelled and sent to the relevant coordinator for signature
  - Companies are now permitted to add a minimum of 8% for non-payment within 30 days

**2. Telephone Orders – *emergencies only* all commitment *MUST be recorded on the budgetary system***

- Complete an Order Form as above - **CLEARLY MARK 'TELEPHONED ALREADY'**
- Admin will process the order BUT not post out
- Delivery notes and invoices will be actioned as above

- 3. Internet Orders – *this is still not recommended by the DfE ESFA* as payment has to be made by individuals at time of processing -**
- Not to be placed without prior arrangement with the Headteacher
  - Complete an Order Form as above - CLEARLY MARKED INTERNET ORDER – attach copy of order
  - Admin will process the order BUT not post out
  - Sign delivery note/invoice and indicate budget to be debited, forward to Finance for payment or proof of payment for re-imburement – **the invoice must be addressed to the School to claim the VAT back**
  - **IMPORTANT – if staff use their own personal credit/debit card they do so at their own risk, neither the School or Governors will not accept liability for any loss incurred**
- 4. Local Purchases/Petty Cash**
- A full VAT receipt is required (as detailed above) where applicable. VAT has to be shown separately
  - The receipt also needs to be pre-printed with the supplier’s full name, address, VAT number, date and sequential invoice number. **Please remember that in order for the School to claim back the VAT, the receipt/invoice must be addressed to the School (if necessary you will have to go to the Store's Customer Services and ask for a full VAT receipt).**
  - In most cases refunds may be obtained via reception in the normal way, however it is recommended that amounts over £30 are refunded by cheque/BACS
- 5. Request for Cheques/BACS Payment**
- Please complete a Cheque/BACS Request Form and forward to Admin Office together with any backup documentation (i.e. invoice, receipts etc).
  - Blank cheques will not be issued under any circumstances.

**APPENDIX D**  
**REQUEST TO PURCHASE ITEM/S OVER £5,000**

Department		Date
Budget Estimate	£	Request by:
Brief description of the project/equipment		
Learning Objectives/s		
Other resource implications (e.g. staffing/training/Health & Safety/premises etc)		
Supplier & Quotes (please attach all quotes)	1.	£
	Comments	
	2.	£
	Comments	
	3.	£
	Comments	
Preferred supplier	Name & address	
	Final agreed price £	Discount obtained
	Possible start/ installation date	End date
	Confirmed SMW (safe method working) & Risk Assessment/Insurance	Yes / no / not applicable
<b>OFFICE USE ONLY</b>	<b>Request to Personnel and Finance committee – Date</b>	
<b>Committee comments</b>		
	<b>Agreed / Declined on</b>	<b>Budget Agreed £</b>
<b>Signed</b>	<b>Chair of P&amp;F Committee</b>	
	<b>Headteacher</b>	
	<b>Chair of Governors</b>	

**APPENDIX E**  
**APPENDIX D REQUEST TO PURCHASE ITEM/S OVER £10,000**

Department		Date
Budget Estimate	£	Request by:
Brief description of the project/equipment		
Learning Objectives/s		
Other resource implications (e.g. staffing/training/Health & Safety/premises etc)		
Supplier & Quotes (please attach all quotes)	1.	£
	Comments	
	2.	£
	Comments	
	3.	£
	Comments	
Preferred supplier	Name & address	
	Final agreed price £	Discount obtained
	Possible start/ installation date	End date
	Confirmed SMW (safe method working) & Risk Assessment/Insurance	Yes / no / not applicable
<b>OFFICE USE ONLY</b>	<b>Request to Full Governing Body– Date</b>	
<b>GB comments</b>		
	<b>Agreed / Declined on</b>	<b>Budget Agreed £</b>
	<b>Headteacher</b>	
	<b>Chair of Governors</b>	

COLLEGE INTERNAL AUDIT AND ASSURANCE VISITS  
**AUDIT COVERAGE AND OBJECTIVES**

The following areas are typically covered during a School's Internal Audit visit. These checks are significantly over and above the scope of the "Responsible Officer checks" set out in the Academies' Financial Handbook:-

**1. GOVERNANCE AND STATUTORY RESPONSIBILITIES**

To give assurances to management and Governors that:-

- i) The roles and responsibilities of Senior Management, finance staff, the governing body and its committees are set out in writing in a formal Finance Policy which is fit-for-purpose and is aligned to best practice, legislative requirements and the DfE ESFA Academies' Financial Handbook;
- ii) A register of business interests is maintained for all members of the governing body and any staff with influence over purchasing (e.g. budget holders);
- iii) There are adequate systems in place for the training and development of both new and existing Governors;
- iv) Governors' meetings are properly constituted, business transacted is appropriate and minutes are prepared to an acceptable standard;
- v) The School has appointed a suitable individual as its formal Responsible Officer;
- vi) The School's key systems and procedures are underpinned by written procedure notes to promote effective continuity of operation in the absence of key staff;
- vii) The School has completed and submitted its annual FMGE return, and any weaknesses identified during the self-assessment process have been addressed;
- viii) Previous audit recommendations have been considered and implemented, where appropriate;
- ix) Financial accounts are satisfactorily prepared, audited by the External Auditors, and filed with Companies' House in accordance with statutory deadlines;
- x) Other statutory reporting deadlines are met.

**2. RISK MANAGEMENT**

To give assurances to management and Governors that:-

- i) Effective risk management procedures are in place to identify and to manage business risk critical to the School's overall objectives;
- ii) Major risks are adequately insured against loss or misfortune;
- iii) Effective Health & Safety procedures are in place and vulnerabilities addressed where necessary;
- iv) There is adequate cash-flow management;
- v) The School utilises efficient working practices where exposure to risk is not considered to be significant as a result.

### **3. FINANCIAL INFORMATION SYSTEM**

To give assurances to management and Governors that:-

- i) The Financial Information System used is fit-for-purpose and is capable of generating the year-end statutory financial accounts;
- ii) Access to the FIS is password controlled and given only on a "need to do" basis;
- iii) Access levels are established to enforce an adequate separation of duties between the processing of financial transactions and the signing of cheques;
- iv) Data is regularly backed-up, and a back-up retained securely, as part of a wider disaster recovery plan;
- v) The FIS operated on a double-entry accounting basis and the system Trial Balance is "in balance";
- vi) Control Accounts are reviewed and cleared regularly.

### **4. DATA PROTECTION ISSUES (see Data Protection policy)**

To give assurances to management and Governors that:-

- i) The School is appropriately registered as a data user under the Data Protection Act 1998;
- ii) The School takes reasonable steps to safeguard all personal and sensitive data held and any personal data transmitted electronically;
- iii) Confidential information is retained securely and disposed of securely;

### **5. SECURITY**

To give assurances to management and Governors that:-

- i) Cash held on the premises is retained securely, and within established insurance limits;
- ii) Adequate arrangements exist for the banking of income.

### **6. ASSET/EQUIPMENT REGISTER**

To give assurances to management and Governors that:-

- i) The School's asset/equipment are appropriately recorded on an appropriate inventory record;
- ii) Adequate steps are in place to ensure the such items are held securely;
- iii) A physical check of all inventory items is undertaken annually, and the results of this check reported to the Governors;
- iv) Health & safety obligations are met through the regular portable appliance testing of electrical asset/equipment;
- v) Access to computerised inventories is secure and files are adequately backed-up;
- vi) Appropriate procedures are in place to authorise the disposal of surplus items and their subsequent removal from the inventory record.

## **7. SCHOOL MEALS**

To give assurances to management and Governors that:-

- i) Income due from pupils for school meals is properly recorded and accounted for accurately;
- ii) Free meals are given only to pupils/staff with current authorisations.

## **8. PAYROLL, PERSONNEL AND SAFER RECRUITMENT**

To give assurances to management and Governors that:-

- i) Adequate arrangements exist for the completion and authorisation of salaries documentation (starters, leavers, changes to contracts, supply, overtime);
- ii) Adequate arrangements exist for the reconciliation of the payroll each month / monitoring of salary costs to the budget;
- iii) Personnel records are maintained accurately and up-to-date and used proactively to predict future salary costs;
- iv) There are effective recruitment practices (e.g. DBS clearance);
- v) Confidential payroll documentation is processed, transmitted and retained securely.

## **9. BUDGETARY PLANNING, MONITORING & REPORTING**

To give assurances to management and Governors that:-

- i) Medium-term budgetary planning is sound (e.g. costed SDP, multi-year budget);
- ii) Adequate and effective procedures are in place for the preparation, approval, monitoring and control of the budget including GAG1/2 returns to the DfE ESFA;
- iii) The Financial Information System agrees with the approved annual budget;
- iv) Balances held are within the acceptable GAG limits prescribed by the DfE ESFA;
- v) Academies in a deficit budget position have adequate plans agreed with the DfE ESFA for the recovery of any overspends;
- vi) Financial information given to Governors, Senior Management and budget holders is accurate and timely.

## **10. LOCAL CHEQUE ACCOUNT**

To give assurances to management and Governors that:-

- i) The local cheque account is being operated satisfactorily;
- ii) An adequate division of duties exists in the processing of financial transactions;
- iii) Cheque signatories are appropriate and approved by the Governors;
- iv) Regular bank reconciliations are being carried out;
- v) The use of petty cash is appropriately recorded and controlled;
- vi) UK legislation is being complied with (e.g. payments to individuals).

#### **11. PAYMENT CARDS / CHARGE CARDS**

To give assurances to management and Governors that:-

- i) The School's charge card is used appropriately;
- ii) Transactions are promptly applied to the FIS;
- iii) The card is retained securely at all times.

#### **12. MAKING SUPPLIER PAYMENTS ELECTRONICALLY (e.g. BACS)**

To give assurances to management and Governors that:-

- i) Payments made by BACS are properly authorised beforehand;
- ii) BACS runs are effectively controlled and processed on a timely basis.

#### **13. ORDERING PROCEDURES**

To give assurances to management and Governors that:-

- i) Adequate controls exist for the completion and authorisation of orders;
- ii) Internet ordering is in controlled situations (e.g. on-line discounts);
- iii) Payments are made only in respect of goods and services received, and have been properly certified as such;
- iv) There is an adequate division of duties in the ordering and payment procedures.

#### **14. CAPITAL SPENDING**

To give assurances to management and Governors that:-

- i) The School is able to identify capital transactions on its FIS;
- ii) Capital transactions fall within the definition of capital expenditure (as opposed to revenue spending).

#### **15. PROCUREMENT OF LARGE VALUED GOODS AND SERVICES**

To give assurances to management and Governors that:-

- i) The School has a formal procurement policy which sets out tendering and quotation limits / requirements / procedures;
- ii) There is evidence of this policy being complied with in the tendering and awarding of high value contracts;
- iii) Quotations are routinely obtained in order to achieve value for money;
- iv) The School is able to demonstrate that value-for-money is routinely sought;
- v) There is adequate governor involvement in authorising large-valued expenditure or exceptions to the policy.

## **16. INCOME - GENERAL**

To give assurances to management and Governors that:-

- i) Income is received in all appropriate circumstances;
- ii) Income received is suitably recorded and controlled;
- iii) A clear audit trail exists between the recording of income, its posting to the FIS and its banking;
- iv) Income collected is promptly banked;
- v) VAT requirements are adhered to (where relevant).

## **17. INVOICING PROCEDURES**

To give assurances to management and Governors that:-

- i) Invoicing procedures are sound;
- ii) Invoices are promptly raised for relevant debts;
- iii) Outstanding debts are routinely identified and followed-up;
- iv) Bad debts are written off in accordance with governor defined policy;
- v) VAT requirements are adhered to (where relevant).

## **18. School TRIPS**

To give assurances to management and Governors that:-

- i) Trip contributions are collected in full from all participating students;
- ii) Subsidies are appropriately authorised;
- iii) Trip contributions received adequately cover associated trip expenditure;
- iv) Each trip is accurately accounted for on the FIS;
- v) Significant surpluses are refunded;
- vi) Health & safety issues are adequately considered beforehand.

## **19. LETTINGS**

To give assurances to management and Governors that:-

- i) Income is collected in full for all lettings of the premises;
- ii) A scale of charges exists which is reviewed annually;
- iii) Charges are made consistently in accordance with the approved scale;
- iv) Hirers complete indemnity to hire forms;
- v) VAT requirements are adhered to (where relevant).

## 20. ENTREPRENEURIAL ACTIVITIES

To give assurances to management and Governors that:-

- i) Income is collected in its entirety for such activities (e.g. third party use of premises);
- ii) Contractual arrangements are sound and legally based;
- iii) Non-financial risks and their implications are actively considered (e.g. health & safety, insurance, safeguarding of students).

## 21. EFFICIENCY

To give assurances to management and Governors that:-

- i) The School's working practices are efficient;
- ii) The School works in a "risk aware" environment (as opposed to a "risk averse" one) where the cost of introducing internal controls is considered against the associated risk exposure. A key theme of efficiency is to "manage" risk effectively, and in some cases to "tolerate" the risk, as opposed to the costly alternative of unnecessarily aiming to "eliminate" all risk.

**APPENDIX F**  
**List of Approved Providers**

Stock and resources

- Espo
- Print and Buying
- Amazon

Buy back services from Leicestershire County Council

- Human Resources
- Payroll
- Admissions
- Legal Services
- Leamis
- Performance
- Governor Development
- Tree services

MIS

- Arbor

YMD Boon

- Property
- Health and safety

Buy back services from Leicester Diocese

- SIAMs support and training

Accounting and Financial Matters

- TC Group

IT Services and resources

- Black Owl

Signage and website

- Juniper Education

Partnership Books

- Books4Schools

Catering

- Coombs Catering Ltd