

Crowle Primary Academy



Finance Procedures

Introduction

The purpose of this manual is to ensure that the academy 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 Children, Schools and Families (DFE).

The academy must comply with the principles of financial control outlined in the academies guidance published by the DFE. This manual expands on that and provides detailed information on the academy's accounting procedures and system manual which should be read by all staff involved with financial systems.

Organisation

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

The Board of Governors

The Local Board of Governors (LGB) has overall responsibility for the administration of the academy's finances. The LGB meets at least two times per term but more frequent meetings can be arranged if necessary. The main responsibilities of the Board of Governors are prescribed in the Funding Agreement between the academy and the DFE and in the academy's scheme of government. The main responsibilities include:

- ensuring that the grant from the DFE is used only for the purposes intended;
- ensuring that funds from sponsors are received according to the academy's Funding Agreement, and are used only for the purposes intended;
- approval of the annual budget
- appointment of the Headteacher, Deputy Headteacher, Assistant Headteacher and Business Manager (must have a 50% quorum)
- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DFE guidance issued to academies; authorising orders and the award of contracts up to £50,000 (see thresholds below)
- reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls.
- monitoring and amending the budget as directed by the Chief Financial Director of the trust
- ensuring all Financial policies are up to date
- ensuring the building is kept in secure and good order and to ensure all Health and Safety Legislation is upheld
- to ensure the academy provides a broad and balanced curriculum in line with the requirements of the funding agreement
- to ensure that religious education and collective worship are provided in accordance with the funding agreement
- to consider all policies relating to the curriculum
- give consideration to the review of the Academy Improvement Plan
- plan before presentation to the governing body
- to review pupil progress

Thresholds

The current Thresholds are as follows:

Up to £5,000	Headteacher Approval	No quotations required
Over £5,000 up to £10,000	Headteacher Approval	3 written quotes
Over £10,000 up to £25,000	LGB Approval	3 written quotations
Over £25,000 up to £50,000	LGB Approval	Competitive Tender
Over £50,000	Board of Trustees Approval	Competitive Tender

Finance and Resources Committee

The Resources committee is a committee of the LGB.

The main responsibilities of Resources Committee are detailed in the written terms of reference which have been authorised by The LGB. The main responsibilities include:

Human Resources

- authorising changes to the academy personnel establishment
- appointments of all staff, other than part-time non teaching staff, will be carried out by the Appointments Committee
- carry out pay-grading reviews and authorise

Finance

- Develop annual budget plan
- Monitor budget against the plan including expenditure virements, income/expenditure and cash flow
- Ensure compliance with Trust standards and policies
- Ensure compliance with the Trust Scheme of Delegation
- Prepare reports for the Trust Board within a common framework
- Monitor/evaluate contracts (Large contracts led by the Trust)
- Ensure that Pupil Premium is allocated to meet the needs of the targeted groups

The Headteacher

Within the framework of the academy improvement plan as approved by The Board of Governors the Headteacher has overall executive responsibility for the academy's activities including financial activities. Much of the financial responsibility has been delegated to the Business Manager but the Headteacher still retains responsibility for (and in their absence the Deputy Headteacher):

- appointing part-time non-teaching staff
- authorising expenditure within the budget limit of £10,000 for a single transaction
- authorising non order invoices in conjunction with the Business Manager
- signing cheques and BACS payments in conjunction with the Business Manager (or other authorised signatories if the Headteacher were not to be available) following authorisation of order invoices by the Business Manager
- signing orders up to £10,000

The Business Manager

The Business Manager works in close collaboration with the Headteacher through whom he or she is responsible to the governors. The main responsibilities of the Business Manager are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the academy financial position at a strategic and operational level within

- the framework for financial control determined by The Board of Governors;
- 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;
- the preparation of monthly management accounts;
- signing cheques and BACS payments in conjunction with the Headteacher (or other authorised signatories if the Headteacher were not to be available)
- ensuring forms and returns are sent to the DFE in line with the timetable in the DFE guidance.

The Responsible Officer

The Responsible Officer (RO) is appointed by Trustees and provides governors with an independent oversight of the academy's financial affairs. The main duties of the RO are to provide The Board of Governors with independent assurance that:

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

The Responsible Officer will undertake regular reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by The Local Board of Governors. A report of the findings from each visit will be presented to The Finance and Personnel Committee. Detailed guidance on the transactions to be checked by the RO is given in Appendix A of the DFE Guidance.

Other Staff

Other members of staff, primarily the Business Manager, the Administrative Assistants, and budget holders, will have some financial responsibilities and these are detailed in the following sections of this manual. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

Gifts

Staff may receive gifts 3 times a year from the same parent or child. If a staff member was to receive more than 3 gifts a year from a single parent or child they should declare it to the Headteacher or Business Manager. Any member of staff receiving a single gift over £50 or monetary gifts more than 3 times a year they would need to declare it to the Headteacher or Business Manager.

Transactions with related parties

Register of interests

The School Business Manager is responsible for maintaining and publishing an up-to-date register of business interests for their school.

The Trust's Chief Project's Officer (CPO) is responsible for maintaining and publishing a trust level Register of Business Interests.

All relevant business and pecuniary interests of members, trustees, local governors and senior employees should be captured within the trust's Register of Business Interests. Declarations should include:

- directorships, partnerships and employments with businesses
- material interests from close family relationships with directorships, partnerships and employments with businesses
- trusteeships and governorships at other educational institutions and charities
- material interests arising from close family relationships with employees

Each interest must declare: the name of the business; the nature of the business; the nature of the interest, and the date the interest began.

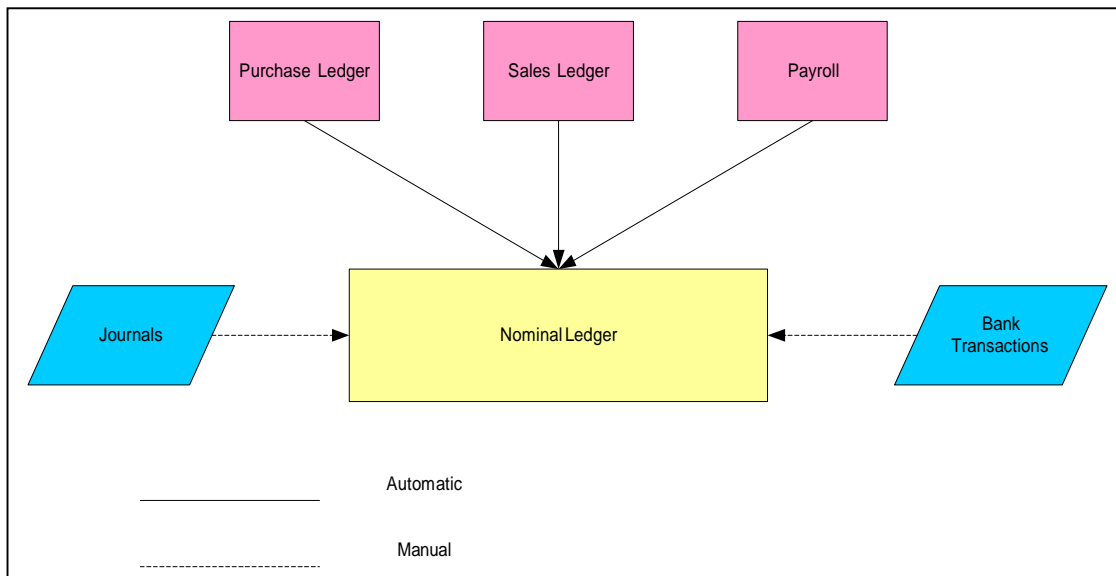
Reporting and approval of related party transactions

The Business Manager is responsible for identifying any potential transactions with related parties **in advance of** the transaction taking place. The Business Manager will notify the trust's CFO who will work with the Business Manager in ensuring the trust is complying with the Academies Financial Handbook requirements as follows:

- completing the ESFA's on-line form for all potential related party transactions
- completing an 'at cost declaration' for transactions with a related party exceeding £2,500, cumulatively, in any one financial year
- Obtaining ESFA's prior approval, using ESFA's on-line form, for contracts for the supply of goods or services to the trust by a related party that would take the total value of contracts with the related beyond £20,000 in the same financial year ending 31st August.
- The Business Manager will follow the procurement thresholds for orders over £5,000. For orders under £5,000 the Business Manager will seek at least 2 quotations if there is one or more related parties involved

Accounting System

All the financial transactions of the academy must be recorded on the Access accounting system. The Access system is operated by the Business Manager and Administrative Assistant and consists of:



System Access

Entry to Access is cloud based and password restricted the CFO is responsible for implementing a system which ensures that passwords are issued to users.

The Business Manager is responsible for the collection and passing of all relevant payroll data to RMBC by the agreed time-scale and the checking of monthly payroll BACS before payments go into staff bank accounts.

Back-up Procedures

The Business Manager is responsible for ensuring that there are effective back up procedures for the system. The main server is backed up daily and a copy of this back up is available through ACS

A hard copy of the nominal ledger and audit trail should be printed each month and should be stored separately from the accounting system extracted from the system.

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

Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the manual.

All journal entries must be supported by relevant documents and authorised by the Headteacher prior to being input to the accounting system.

Bank transactions should be input by the Business Manager and the input should be checked, and signed to evidence this check, by the Headteacher or Deputy Headteacher.

Detailed information on the operation of the Access system can be found in the user manuals held on the shared drive.

Transaction Reports

The Business Manager will obtain and review system reports to ensure that only approved transactions are posted to the accounting system

Reconciliations

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

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

Any unusual or long outstanding reconciling items must be brought to the attention of the Headteacher. The Headteacher will review and sign all reconciliations as evidence of this review.

Financial planning

The academy prepares both medium term and short-term financial plans.

The medium term financial plan is prepared as part of the improvement planning process. The improvement plan indicates how the academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

The improvement plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year.

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

Improvement Plan

The improvement plan is concerned with the future aims and objectives of the academy and how they are to be achieved; that includes matching the academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.

The form and content of the improvement plan are matters for the academy to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the DFE.

Each year the Headteacher will propose a planning cycle and timetable to The Board of Governors which allows for:

- A review of past activities, aims and objectives - "did we get it right?"
- Definition or redefinition of aims and objectives – "are the aims still relevant?"
- Development of the plan and associated budgets – "how do we go forward?"
- implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course" and
- Feedback into the next planning cycle – "what worked successfully and how can we improve?"

The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Headteacher.

The completed improvement plan will include detailed objectives for the coming academic year. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.

For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to a subject leader. The responsible leader should monitor performance against the defined success criteria throughout the year and report to the Headteacher on a quarterly basis. The Headteacher will report to The Board of Governors if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

Annual Budget

The Business Manager is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Finance and Resources Committee. This has been approved by the LGB.

The approved budget must be submitted to the DFE by 30 June each year and the Headteacher is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

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

The budgetary planning process will incorporate the following elements:

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

Balancing the Budget

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

Once the different options and scenarios have been considered, a draft budget should be prepared by the Headteacher and Business Manager for approval by the Local Governing Board (LGB) who sends their recommendations to the Board of Trustees for final approval. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints. The budget will be seen as a working document which may need revising throughout the year as circumstances change.

Monitoring and Review

Monthly reports will be prepared by the Business Manager. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Headteacher and the LGB.

The monthly reports will include:

- Cumulative trial balance
- Monthly trial balance
- Monthly report of all bank accounts showing reconciled and un-reconciled transactions
- Summary report of creditors and debtors
- Balance sheet to month end
- VAT summary
- Income / Expenditure summary of all budgets

Any potential overspend against the budget must in the first instance be discussed with the Business Manager. The accounting system will not allow payments to be made against an overspent budget without the approval of the Business Manager.

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. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency. A budget virement of £10,000 or less may be authorised by the Headteacher and reported to Local Governing Board. Budget virements over £10,000 must be agreed by the Local Governing Board.

The Local Governing Board Resources Committee (all governors) meet once every term, therefore several monthly reports are on the agenda; however governors are not expected to sign off every month end checklist to show they have seen all of the work, only the most recent report needs to be signed by the governors and accounting officer.

PAYROLL

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payments

Allowances:

Telephones – The Local Governing Board have approved the purchase of five pay as you go telephones. These are held by the Headteacher, Deputy Headteacher, Business Manager and Site Supervisor. One telephone is left in the school safe and is to be used when taking children off site on educational visits, sporting activities etc. Staff must abide by the mobile phone policy.

Mileage Claims – Allowances have been agreed for employees to claim back mileage costs. Employees are only able to claim if they meet the criteria in the Vehicle Usage Policy. Every claim must have a VAT receipt/s for fuel which should at least match the amount that is being claimed. These must be original receipts and must not be used towards any other claims outside of the academy e.g. personal businesses.

Duty Meals

Governors agreed to cover the cost for any employee who runs an afterschool or lunchtime activity to be entitled to a school lunch once per week.

Staff Appointments

The Board of Governors has approved a personnel establishment for the academy. Changes can only be made to this establishment with the express approval in the first instance of the Resources Committee who must ensure that adequate budgetary provision exists for any establishment changes.

The Headteacher has authority to appoint part-time non teaching staff. All other appointments will be carried out by the Resources Committee. The Board of Governors and Chief Executive Officer will authorise the appointment of a Headteacher and Deputy Headteacher.

The Business Manager maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Business Manager immediately. Annual salary statements are issued for all staff as follows:

- Teaching staff – If an increment is awarded following performance management, teachers will be notified in writing of their new salary. All teachers will receive a statement in the Summer Term
- Support staff – Summer Term following annual increments due 1st April.

The Payroll function is currently outsourced to a payroll provider. They provide a detailed

summary for a journal to be raised.

See Payroll procedures **Section 1**

Purchasing

The academy seeks to achieve the best value for money from all our purchases. This means they aim to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their 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 academy;
- **Accountability**, the academy is publicly accountable for its expenditure and the conduct of its affairs;
- **Fairness**, that all those dealt with by the academy are dealt with on a fair and equitable basis.

See purchasing procedures **Section 2**

Forms of Tenders

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

- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Business Manager how best to advertise for suppliers' e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
 - there is a need to maintain a balance between the contract value and administrative costs,
 - a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,
 - the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
 - the above methods have resulted in either no or unacceptable tenders,
 - only one or very few suppliers are available,
 - extreme urgency exists,
 - Additional deliveries by the existing supplier are justified.

See Tendering procedures on **Section 3**

Income

The main sources of income for the academy are the grants from the DFE. The receipt of these sums is monitored directly by the Business Manager who is responsible for ensuring that all grants due to the academy are collected.

The academy also obtains income from:

- students, mainly for trips and events
- the public, mainly for lettings and fundraising
- sales of uniform and stationery
- LA, for example SEN funding

- staff sickness insurance payments
- Breakfast Club
- Sure Start, for utilities and services
- Community use at £20 per hour

See Income procedures on **Section 4**

CASH MANAGEMENT

Bank Accounts

Crowle Primary Academy has a current account. The account signatories are:-

Name	Job Title	Function
Rhonda Blakemore* Cheryl Pearce* Erica Fawcett* Michelle Stocks*	Headteacher Assistant Headteacher Assistant Headteacher Business Manager	*Cheque signatories (2 required) *BACS payments *Authorising orders *Authorising payment of invoices/credit notes *Petty cash claims *Pay sheets overtime/extra hours *Travel/subsistence claims *Insurance Claims Remission *Claims (school visits etc.)
Amy Skelton	Chief Financial Officer	BACS secondary authorisation and internal transfers to and from other trust bank accounts

The opening of all accounts must be authorised by The Trustees 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.

Investments

Prior to any investment of funds being made the Business Manager will seek expert advice and report to the Trustees, who will consult with the Board of Governors.

Deposits

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

All cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures/authorisation of two of the following authorised signatories:

- Headteacher
- Business Manager (**must not sign cheques made out for petty cash**)
- Deputy Headteacher
- Assistant Headteachers
- **Chief Financial Officer or Chief Purchasing Officer (must be the secondary authorisation on all BACS)**

This provision applies to all accounts, public or private, operated by or on behalf of The Board of Governors of the academy.

Authorised signatories must not sign a cheque relating to reimbursed expenses for which they are claiming.

Credit Cards

The Headteacher and Business Manager hold a credit card. Purchases up to the value of £200 less VAT can be made without consultation between authorised signatories, a receipt must be requested; the purchasing card authorisation form would be authorised as soon as possible after the purchase had been completed. Consultation must take place for purchases over £200 less VAT and the purchasing card authorisation form must be authorised prior to any purchase, a receipt must be requested.

Any credit card transactions over £500 will need to be posted and submitted at the point of transaction on Access or the next working day.

Credit Card Statements

The Business Manager is Responsible for ensuring all transactions are input on Access.

The Headteacher or in her absence the Deputy Headteacher must authorise the Business Manager's monthly transactions shown on the monthly statement.

The Chair of Governors or in her absence the Vice Chair must authorise the Headteacher's monthly transactions shown on the monthly statement. (this can be done retrospectively)

Online Banking

BACS payments – The Business Manager where possible will pay a creditor by BACS transfer. The Business Manager must seek authorisation from the Headteacher or in her absence the Deputy Headteacher or Assistant Headteachers. The Chief Financial Officer or Chief Purchasing Officer will be the secondary authorisers for all BACS payments.

Online Bank Payments – The Business Manager may decide to pay a creditor through online banking. The Business Manager will set up the payment online, seek authorisation from the Headteacher or in her absence the Deputy Headteacher. The Chief Financial Officer or Chief Purchasing Officer will be the secondary authorisers for all BACS payments. This is known as Dual Authority Banking.

Administration

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

- all bank accounts are reconciled to the academy's cash book
- reconciliations are prepared by the Business Manager
- reconciliations are subject to an independent monthly review carried out by the Headteacher or in her absence the Deputy Headteacher
- adjustments arising are dealt with promptly

Petty Cash Accounts

The academy maintains maximum cash withdrawals of £400. The cash is administered by the

Business Manager and is kept in the office safe or locked drawer/cupboard.

The Business manager is authorised to approve individual payments up to £100 however the Business Manager may authorise payments above £100 if required.

The Headteacher, Deputy Headteacher or Assistant Headteacher must authorise any petty cash claims submitted by the Business Manager.

Deposits

The only deposits to petty cash should be from cash withdrawn specifically for the purpose. The receipt should be recorded in the petty cash system with the date and amount relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

Withdrawals

Any withdrawals will be authorised prior to the withdrawal by the Headteacher and one other signatory other than the person using a cheque made out to the Academy and replaced with cash waiting to be banked. If there is no cash available then one of the signatories will need to visit the local bank to withdraw the cash by cheque.

Payments

In the interests of security, petty cash payments will be limited to £100. Higher value payments should be made by cheque directly from the main bank account as a cash book payment. Staff expenses including travel, will only be reimbursed via the payroll.

Administration

The Business Manager is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash checks should be undertaken by the Headteacher/Business Manager to ensure that the cash balance reconciles to supporting documentation, where possible this will be completed at the end of each month.

Physical Security

Petty cash should be held in a locked cash box which is put in the safe or in a locked cupboard/drawer overnight.

Cash Flow Forecasts

The Business Manager is responsible for preparing cash flow forecasts to ensure that the academy has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to re-profile GAG to cover potential cash shortages.

FIXED ASSETS Asset register

All items purchased with a value over the academy's capitalisation limit of £1,000 must be entered in an asset register. The asset register should include the following information:

- asset description
- asset number
- serial number
- date of acquisition

- asset cost
- location
- name of member of staff responsible for the asset

The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets;
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- to manage the effective utilisation of assets and to plan for their replacement;
- help the external auditors to draw conclusions on the annual accounts and the academy's financial system; and
- support insurance claims in the event of fire, theft, vandalism or other disasters.

Security of assets

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

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

Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Business Manager or Headteacher and, where significant, should be sold following competitive tender. The academy must seek the approval of the DFE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

All disposal of any equipment must meet regulations (i.e. disposal of computers).

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

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

Loan of Assets

Items of academy property must not be removed from academy premises without the authority of the Business Manager, Headteacher or Deputy Headteacher. A record of the loan must be recorded in a loan book and booked back in to the academy when it is returned.

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

2. Academy Detailed Procedures

Section 1: PAYROLL

Section 2: PURCHASING

Section 3: TENDERS

Section 4: INCOME

Section 5: CASH & BANK

Section 6: VAT

1 Payroll

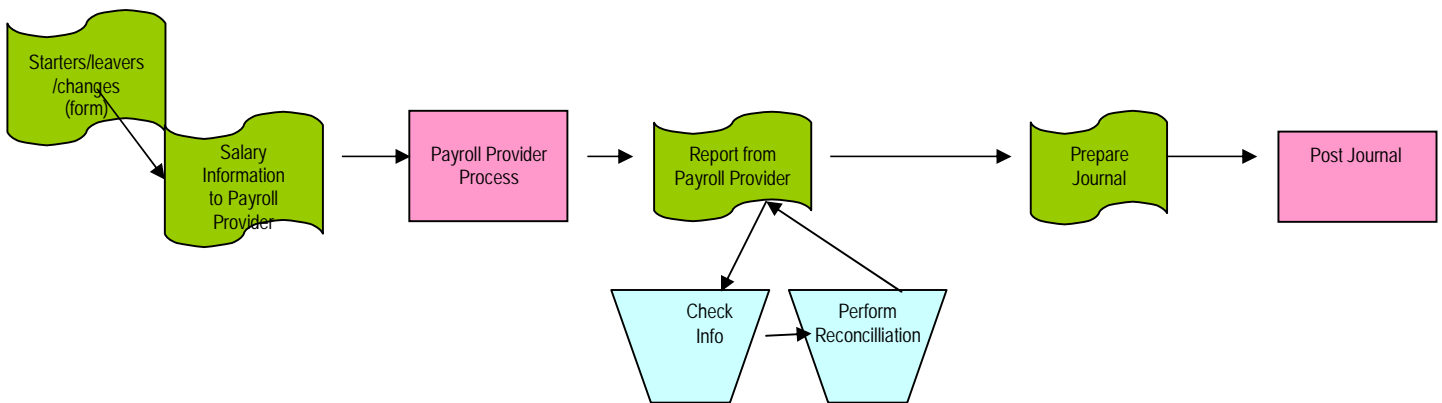
Introduction

Currently the payroll function for the Academy is outsourced to a payroll provider.

Therefore the Academy needs to ensure that information is provided to the Payroll provider on time and that sufficient details are given.

Once the payroll provider have processed the salaries for the Academy it is important that adequate checks are carried out by the Academy.

Payroll Process



Step	Description	Requirements/Tasks	Who?
Prepare Information			
1	Starter & Leavers	<p>New staff can only be added to the payroll with the express approval of the Headteacher and notified to the Business Manager. New staff must complete all relevant payroll documents issued by the Business Manager. Failure to do this may result in non-payment of salary. In these circumstances, the salary payment may not be made until the next payroll run in the following month.</p> <p>Staff can only be terminated from the payroll with the express approval of the Headteacher and notified to the Business Manager.</p> <p>Salary amendments can only be made with the express approval of the Headteacher and notified to the Business Manager.</p> <p>Payment for sickness or maternity must be authorised by the Headteacher in line with the employment contract for the individual.</p> <p>Where leave of absence is discretionary, payment can only be made with the express approval of the Headteacher and notified to the Business Manager.</p> <p>Staff who are paid on submission of a timesheet must complete and return their time-sheet to the Business Manager by week ending nearest to 30th of each month.</p>	Business Manager

		They must also submit their hours on the Payroll/HR Portal for authorisation by week ending nearest to 30 th of each month. Failure to do this may result in non-payment of salary by the academy. In these circumstances, the salary payment may not be paid until the next payroll run in the following month. The Business Manager must then hand the time-sheet to the Headteacher for checking and authorisation. Once authorised the Business Manager can approve the claim on the Payroll/HR Portal	
2	Information prepared	<p>Once the Payroll Provider has been notified of all new starters and Leavers, an information pack can be prepared. This should contain any additional information that affects the payroll, (ie) Pay increases, deductions etc.</p> <p>This can then be sent to the Payroll Provider for the monthly processing.</p> <p>The Business Manager is authorised by the Board of Governors to make all mandatory changes to the payroll without further authority e.g. Tax, NI and pension contribution rates, tax code changes, attachment of earnings etc.</p>	Human Resources
Payroll provider Process			
3	Salary Processing	Once the payroll provider has received all the relevant information from the academy they will process the salaries for each employee of the Academy	Payroll provider (RMBC)
Checking of information			
4	Payroll provider Reports	<p>After the payroll has been processed but before payments are made, a print of salary payments for each individual should be obtained from the system. The print must be reviewed and authorised by either the Business Manager who will then give authority to the RMBC to release payments.</p> <p>All salary payments are made by BACS unless cheque payment has been authorised by the Headteacher or Business Manager.</p> <p>Payslips are available to all staff on the day salary payment is made into bank/building society accounts. These can be found on the HR portal, each employee will have their unique login.</p> <p>The payroll system automatically calculates the deductions due form payroll to comply with current legislation. The major deductions are for tax, national insurance contributions and pensions.</p> <p>On an annual basis the Business 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 of the individual.</p>	Business Manager & The Headteacher (or Deputy Headteacher)
Updating Accounts System			
5	Preparing Journal	After the payroll has been processed the Business Manager will reconcile the salary reports. A journal can be prepared ensuring that all staff are coded to their correct account codes and that PAYE/NI contributions are accounted for correctly on the system. The Headteacher or in her absence the Deputy/Assistant Headteachers will authorise the monthly payments related to pay.	Business Manager / Headteacher

6	Posting of Journal	The Journal can now be posted onto the system and information filed accordingly. NB the journal can be posted prior to authorisation of the headteacher if required e.g. school holidays.	Business Manager or CFO
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Payments

2 Purchases

Introduction

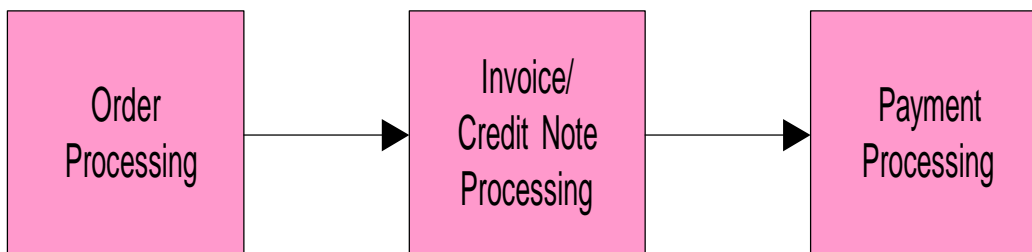
This section outlines the procedures required to process an order for the supply of goods and services.

The Budget Holders will be informed of the budget available to them for the academic year. It is the responsibility of the budget holder to manage the budget and ensure that the funds available are not overspent.

A report detailing actual expenditure against budget will be supplied to each Budget Holder on a half-term basis, but they are also encouraged to keep their own records of orders placed and any income received.

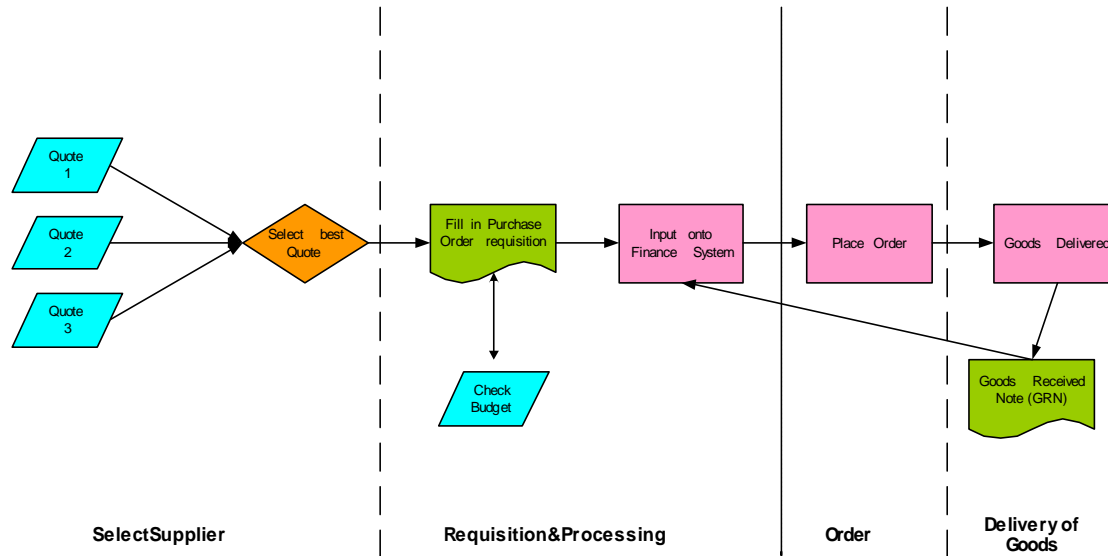
Overview of Processes

There are 3 main processes involved in purchasing, which are outlined in the below diagram:



Each process is described in detail on the following sub-sections, highlighting the tasks and who is responsible for carrying these out.

Ordering Process

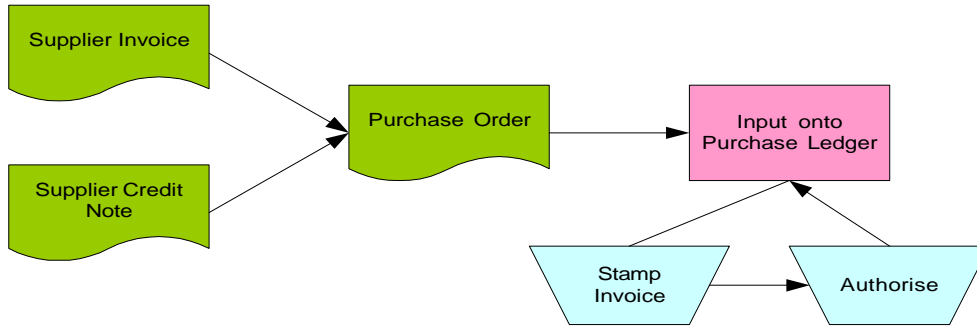


Step	Description	Requirements/Tasks	Who?
Select Supplier			
1a)	Orders up to £5,000 excluding VAT	<p>May be ordered by the budget holder from an approved supplier. A purchase requisition must be authorised by the Headteacher prior to any orders being placed.</p> <p>Consider how to maximise Value for Money and achieve best outcomes.</p> <p>The Headteacher can decide how many quotations are required.</p> <p>Approval must be given by the Headteacher on a purchase order requisition prior to the order being authorised by The Business Manager on Access</p>	In conjunction with Headteacher & Business Manager
1b)	Orders over £5,000 but less than £10,000 excluding VAT	<p>3 written quotations must be obtained to identify the best source of the goods/services when appropriate. These details should be retained by the budget holder. Telephone quotes are acceptable if followed by a faxed/emailed confirmation.</p> <p>Consider how to maximise Value for Money and achieve best outcomes.</p> <p>In some cases prices can be compared in catalogues and the 'best value' product must be selected</p> <p>NB: Additional orders can be placed within 12 months of the quotation date.</p> <p>Approval must be given by the Headteacher</p>	In conjunction with Headteacher & Business Manager
1c)	Orders over £10,000 but up to £25,000 excluding VAT	<p>3 written quotations and authorised prior to proceeding</p> <p>Consider how to maximise Value for Money and achieve best outcomes.</p> <p>NB: Additional orders can be placed within 12 months of</p>	LGB

		the quotation date. Approval must be given by the LGB	
1d)	Orders over £25,000 but up to £50,000 excluding VAT	3 written quotations using the formal request for quotation pack Consider how to maximise Value for Money and achieve best outcomes. Collaboration / Central Team Write a Specification Decide form of Tender If suspension of Financial Regulations required come via LGB to CFO, who reports to Trustees Advertise requirement/Send out ITT to interested suppliers Evaluate tenders using whole life cost Notify all suppliers of your decision – successful or unsuccessful Agree Key Performance Indicators and Service Level Agreement Preferred contractor proposed to and approved by LGB	LGB
1e)	Order over £50,000 excluding VAT	Formal tendering Process – See Section 3 and the Rose Learning Trust Competitive Tender and Procurement Policy.	Trustees Approval
Requisition & Processing			
2	Purchase Order Form	Once the supplier has been selected the purchase order form needs to be completed.	Budget Holder
3	Entering onto Finance system	Once the order has been duly authorised the order can be entered onto the accounting system. The Business Manager will code the items to the relevant nominal codes. The Business Manager will - ensure the correct supplier has been selected and include any relevant information required.	SBM / Finance Assistant
4	Budget Availability	The Headteacher, Deputy Headteacher or Assistant Headteacher will authorise the printed purchase order form. Orders over £10,000 will require 2 signatures, the Headteacher and Deputy Headteacher or Assistant Headteacher	Headteacher, Deputy Headteacher or Assistant Headteacher
Order			
5	Placing the order	The order can then be placed with the supplier by telephone or emailing the purchase order to them. All authorised orders will be filed sequentially.	SBM /Finance Assistant
Goods Received			
6	Delivery	When the order is delivered goods must be checked to the Good's Received Note (GRN). Goods should also be checked for quality and any sub-standard items must be returned and noted on the GRN. Orders are marked either PD (part delivered) or FD (fully delivered) Where possible the person responsible for submitting the order must not authorise the delivery. In the case of school holidays this can be signed retrospectively by another member of staff	SBM/Finance Assistant/Admin Assistant or other employee
7	Purchase Order checked to	The purchase order on the system is then checked to the GRN and any discrepancies noted on the suppliers	SBM / Finance Assistant

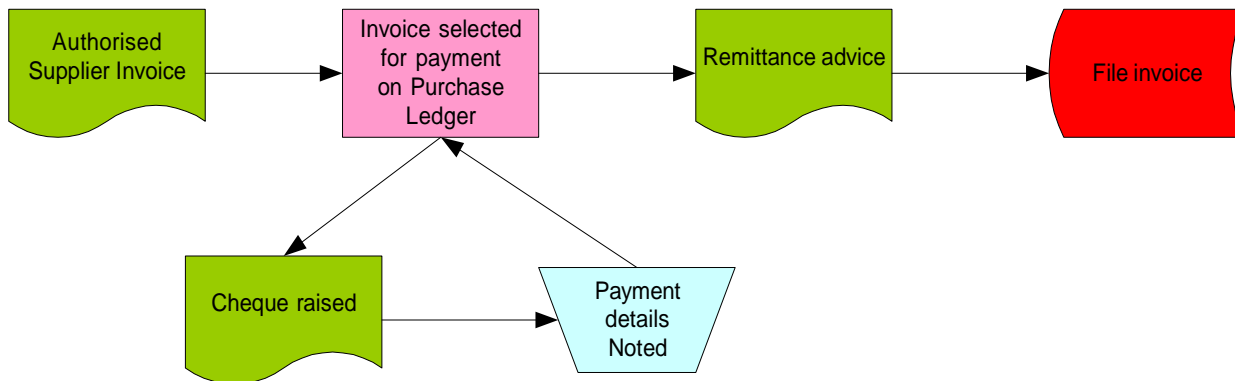
	Goods received note	account. The GRN is then filed with the relevant Purchase Order.	
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Invoice Processing



Step	Description	Requirements/Tasks	Who?
1	Invoice received	All invoices must be sent to the finance office. When the invoice is received it is matched with the purchase order and checked to ensure we have only been charged for what we have ordered/received. Discrepancies must be discussed with the budget holder.	SBM / Finance Assistant
2	Stamping Invoice	The invoice can then be stamped and relevant boxes filled in by the SBM	SBM
	Authorising Order invoices	The invoice should be authorised and coded by the Business Manager or other authorised signatory (preferably not the same signatory as the original order, this gives clear segregation of duties). If the invoice exceeds £5,000 two signatures are required by any authorised signatory.	SBM, Deputy, Assistants Headteacher or (Headteacher if any of the above are absent)
2b	Authorising non-order invoices	The invoice should be coded by the Business Manager and authorised by the Headteacher, Deputy Headteacher or other authorised signatory. If the invoice exceeds £10,000 two signatures are required by any authorised signatory.	Headteacher/Deputy Headteacher/Assistant Headteacher
3	Inputting on to the system	Once the invoice has been matched to the PO it can then be entered onto the purchase ledger system using the invoice function. Ensuring that the correct supplier has been selected and that sufficient information is entered. (i.e.) Invoice number, date of invoice etc.	SBM / Finance Assistant
4		The invoice is now ready for payment and should be filed in the invoices awaiting payment file.	SBM/Finance Assistant
5	CREDIT NOTES	<p>If a credit note is received check it against the supplier account and ensure you can tie it back to the original order.</p> <p>Input the credit note onto the system using the credit note function on the Sales Ledger.</p> <p>Check whether the invoice has been paid or if it is pending the receipt of the credit note.</p> <p>If the invoice has been paid ensure that the credit note is taken off the next payment to the supplier. Or request a refund from the supplier.</p> <p>If the invoice has not been paid, when processing for payment ensure that the payment amount is the original invoice less credit note.</p> <p>Credit notes issued but not used against a payment should also be filed in the invoices awaiting payment file.</p>	SBM / Finance Assistant

Payment of Invoice



Step	Description	Requirements/Tasks	Who?
1	Authorised Invoice	Check that the PO has been authorised by the Headteacher or another authorised signatory	SBM
2	Processing	Select the invoices for payment on the purchase ledger system. Ensure that all credit notes relating to the suppliers have been deducted where possible.	Business Manager Finance Assistant
3	Cheque Run OR Online /BACS Payments/Dual authorisation	Once selected you can now print cheques including remittance advices. (Or Manually write cheques) Once selected you can raise an online/ BACS payment reference and print the remittance Advice. The payment can be set up through online banking.	SBM SBM
4	Authorising: Cheques Online, BACS Payments/Dual authorisation	Once the cheque payment has been raised, the invoices/payments can then be authorised by 2 of the signatories. Invoices over £10,000 must be signed by the Headteacher, Deputy Headteacher or Assistant Headteacher Once the online/BACS payment has been set and authorised by the Business Manager confirmation must be printed and attached to the remittance and sent to the Headteacher, Deputy Headteacher or Assistant Headteacher for secondary authorisation. The signed copy of the BACS file must be emailed to the Chief Finance Officer or Chief Purchasing Officer of the trust for approval.	Business Manager (excluding cheques over £10,000) Headteacher Deputy Headteacher or Assistant Headteacher Business Manager/Headteacher or Deputy/Assistant Headteachers/ CFO, CPO
5	Filing	File the invoices in alphabetical order along with the printed remittance advices.	SBM / Finance Assistant

3 Preparation for Tender

The Rose Learning Trust Competitive Tender and Procurement Policy must be adhered to.

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

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

Invitation to Tender

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

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender 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
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Pre sales demonstrations

- After sales service
- 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

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

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. A minimum of two persons should be present for the opening of tenders, either the Headteacher, Business Manager plus a member of the LGB. For Building Management tenders a representative of the Facilities Management Company will also be present.

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

- 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.
- 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.
- Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the LGB highlighting the relevant issues and recommending a decision.
- For contracts under £25,000 the decision and criteria should be reported to The Finance and Personnel Committee.
- Where required by the conditions attached to a specific grant from the DFE, the department's approval must be obtained before the acceptance of a tender.
- The accepted tender should be the one that is economically most advantageous to the academy, after taking into account all relevant factors. All parties should then be informed of the decision.
- For the accepted tender, references will be sought on their financial, competence/ability to fulfil the contract.

4 Income

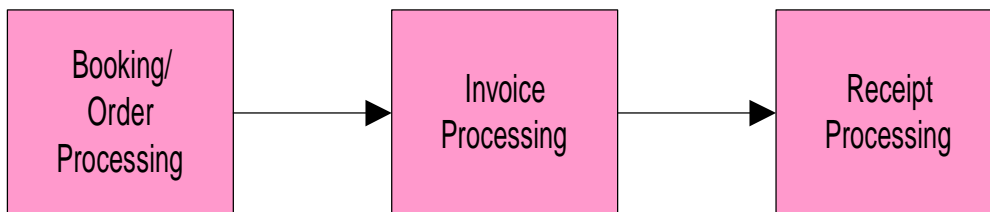
Introduction

This section outlines the procedures required to process a Sales Order for the supply of goods and services.

Income received for Academy Trips should be handed into the administrative assistant to record on a spreadsheet ready for banking in the Academy Fund account. The finance assistant is responsible for ensuring that all monies are collected and for any administration the trip needs.

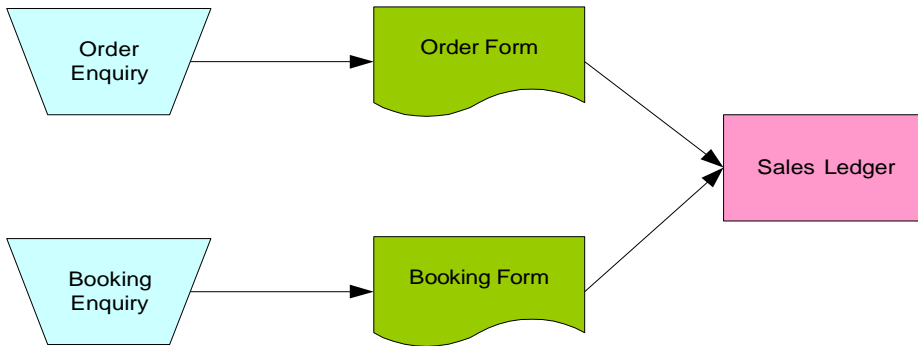
Income Process

There are 3 main processes involved for Income, which are outlined in the diagram below:



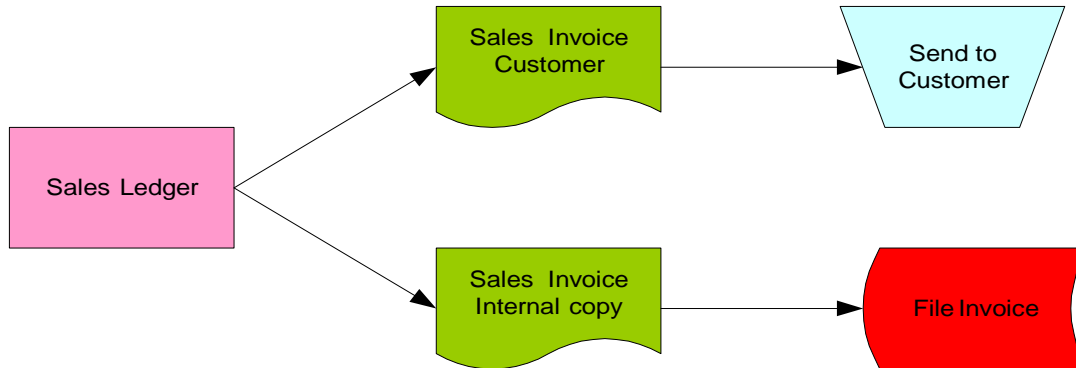
Each process is described in detail on the following sub-sections, highlighting the tasks and who is responsible for carrying these out.

Booking / Order Processing



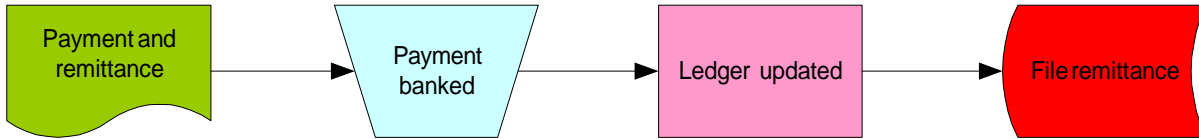
Step	Description	Requirements/Tasks	Who?
Enquiry			
1	Customer Enquiry	<p>When a potential customer enquires about hiring the Academy's facilities or purchasing stationery, school uniform etc.</p> <p>The customer must be given clear and precise information on the cost, availability and any special requirements. (ie) Insurance needs</p>	SBM//Head teacher
2	Completing Booking/ Order Form	<p>Once the customer has confirmed they would like to continue with the Booking/Order, the appropriate documentation must be filled out.</p> <p>For Facilities Booking the Hirer must complete the booking form in full including details of why the facility is being hired. (sports club, prayer group etc) The Clerk must advise the hirer if they are insured through the Academy's policy or if further cover is needed.</p> <p>If the customer is purchasing equipment/goods from the Academy then an Order Form should be completed if necessary. (certain items will be sold from the shop and a receipt will be given) Once the order form has been completed the finance team can advise on delivery etc.</p>	SBM/Admin Assistant/Finance Assistant
Processing			
3	Entering forms onto the system	The orders/bookings can now be entered onto the system ensuring they are coded to the correct nominal codes.	SBM/Finance Assistant

Invoice Processing



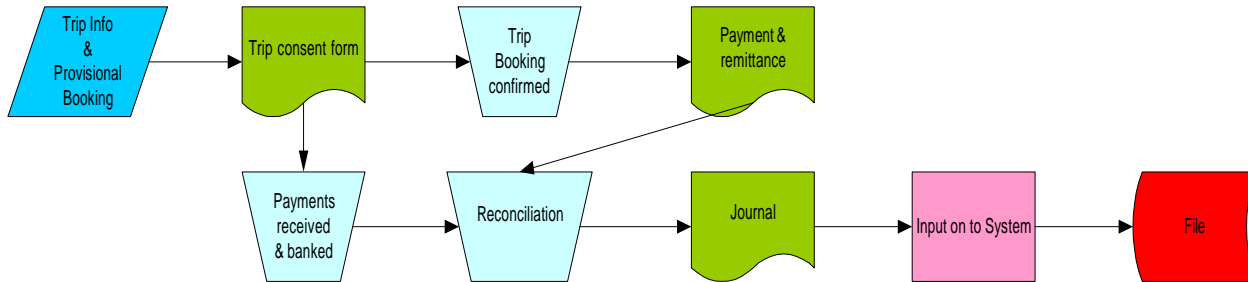
Step	Description	Requirements/Tasks	Who?
Sales Invoice			
1	Create Invoice	Once the Booking/order forms have been entered onto the system you can now raise an invoice. Ensure that the customer account has been set up and that no VAT element is charged (unless the Academy has subsequently registered for VAT)	SBM
2	Print invoice	Print a copy of the invoice for internal purposes. Email the invoice to the customer	SBM
3	Send Invoice	Send invoice to customer and file internal copy in numerical order	SBM
4	VAT note	Whilst the Academy is not registered for VAT it is important to keep a register of all sales that would normally incur VAT. This will ensure that you register in time should your sales increase to above £61k. (see VAT Section 6)	SBM

Receipt Processing and Chasing of Debts



Step	Description	Requirements/Tasks	Who?
Payment			
1	Payment Received	The customer should then send a payment via cheque or cash or BACS along with a remittance advice detailing which invoices they are paying. (some may just send back copies of the sales invoices)	Customer
2	Banking/Cash cheques	Receipts will be issued and all deposits entered on the deposit sheet. The payment should then be banked with clear details entered on the deposit sheet, including customer, invoice and amount.	Admin Assistant/SBM/Finance Assistant
3	Update ledger	The ledger can now be updated to show that payment has been received. It is a good idea to enter the receipt number in case any queries arise later on.	SBM
4	Chasing of Debts	Aged Debtor report run monthly. Debts older than 30 days chased. Pro forma ;letters 1,2,3.	SBM

Academy Trips Income



Step	Description	Requirements/Tasks	Who?
Academy Trip			
1	Gathering of information and provisional booking	The organiser should gather information regarding the proposed trip including costs, availability etc. They should complete an Order Requisition Form then consult the Headteacher for authorisation that the trip can take place Once they have gathered the information and the trip is feasible a provisional booking can be made.	Trip Organiser/Admin Assistant/Finance Assistant
2	Consent Form	A consent form will then need to be sent to the parents of each student detailing the itinerary of the trip and the total cost, which parents are asked to make a contribution. In most cases the consent will be given through the School APP.	Trip Organiser/Admin Assistant/Finance Assistant
3	Receipt of monies	All payments should be made through Parent Pay, with the exception of charitable / fundraising events.	Trip Organiser / Admin Assistant/Finance Assistant
4	Confirm Booking	Once the required number of students has confirmed their attendance and sufficient contributions have been received, the booking should be confirmed with all parties involved. (ie) Coach Hirer's, Venue etc	Trip Organiser/Admin Assistant/Finance Assistant
5	Payment Request	The Administrative Assistant should request from the finance office for any payments for the visit at least 5 days prior (earlier if requested by the visit provider) These should be countersigned by the Headteacher.	Admin Assistant/Finance Assistant
6	Payment	Cheques can be issued to the suppliers and authorised accordingly. account). VAT receipts must be obtained.	SBM

7	Reconciliation	<p>Once all payments have been received from the students reconciliation can be performed between the income and expenditure.</p> <p>All donations received will be recorded and receipted by the AA. Reconciliation will be performed between the income and expenditure.</p>	SBM / Finance Assistant
8	Input onto system	Details can be input onto the financial software	SBM / Finance Assistant
10	Filed	All relevant paperwork will be filed	SBM/Admin. Assistant/Finance Assistant

Cash & Bank

Introduction

This section outlines the procedures required to process receipts and payments from the Bank and/or Petty Cash.

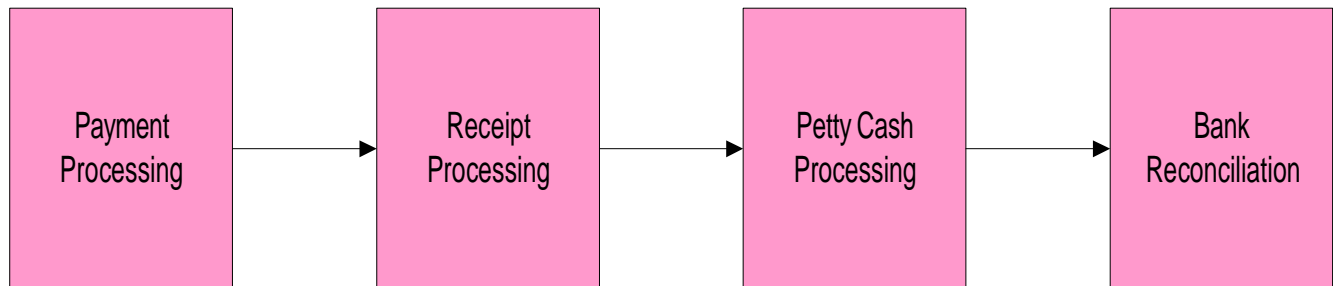
The finance team are responsible for ensuring all monies are banked on a regular basis and that no cash above the insured limited is kept in the safe.

Bank reconciliations should be carried out at least monthly, with any discrepancies or queries being followed up immediately.

Any transfers between accounts should be entered onto the system using the transfer function or by a journal.

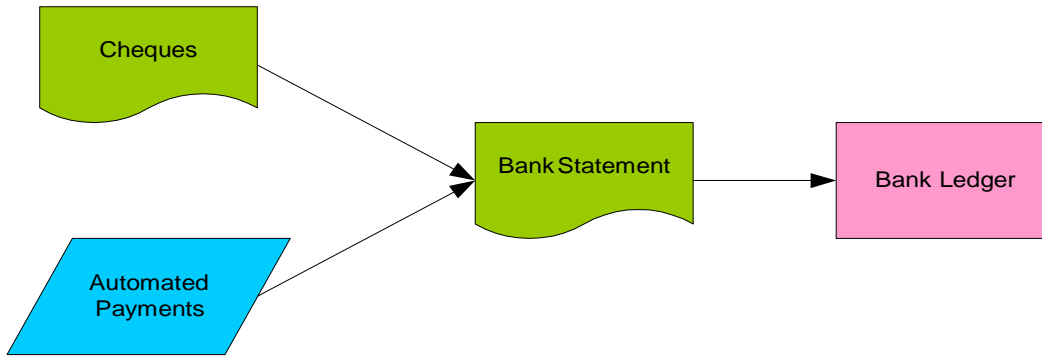
Bank/Cash Processes

There are 4 main processes involved in the Bank/Cash section, which are outlined in the diagram below



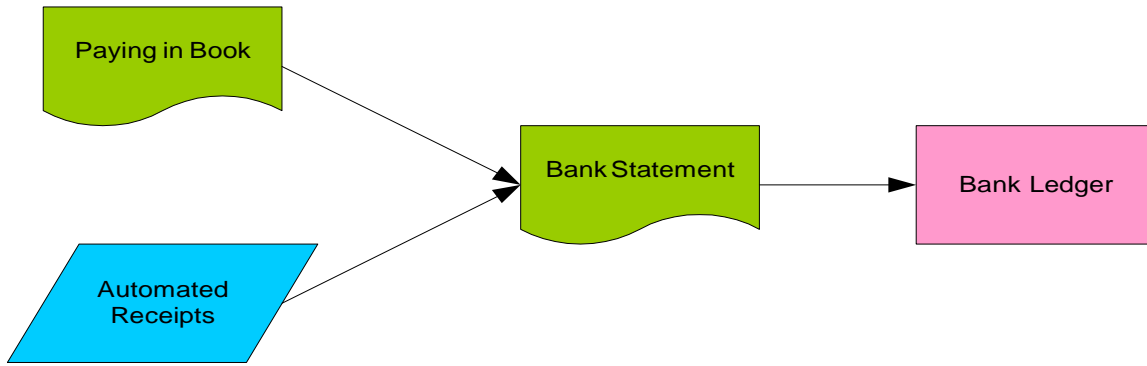
Each process is described in detail on the following sub-sections, highlighting the tasks and who is responsible for carrying these out.

Payment Process



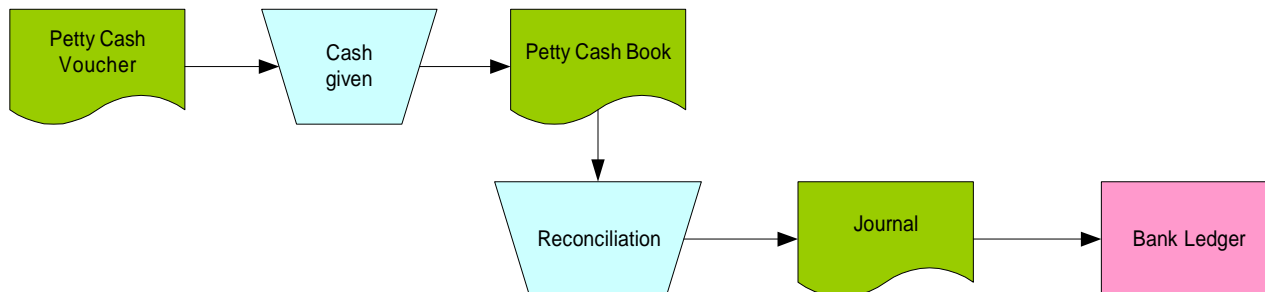
Step	Description	Requirements/Tasks	Who?
1	Payments	Identify the payments on the bank statement highlighting those that are cheque payments or those that have automatically been debited from the account.	SBM
2	Cheques	All Cheque payments should already appear on the system as they would have been allocated to an invoice/supplier. If any cheques are not on the system you will need to check who the payment was to from the cheque stubs or cheque run reports. Once you have identified the payment and ensured it hasn't been posted incorrectly before (ie wrong cheque number recorded), you can post it onto the system.	SBM
3	Automated Payments	Automated payments will need to be allocated to the correct supplier and posted onto the system. Bank interest payments or maintenance costs will need to be posted direct to the cost code. Either through the bank payment function on the system or by journal.	SBM

Receipt Processing



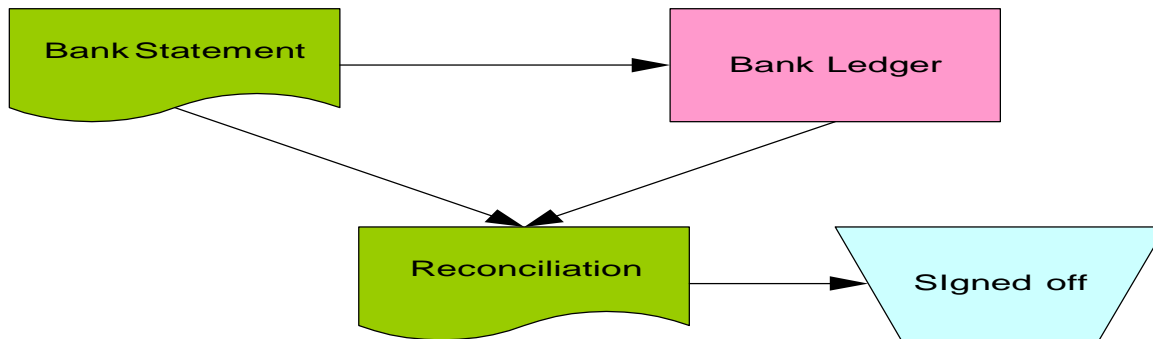
Step	Description	Requirements/Tasks	Who?
1	Receipts	Identify the receipts on the bank statement highlighting those that were banked using the paying in book and deposit record sheet and those that have automatically been credited to the account.	SBM
2	Paying Book	Receipts from customers should already have been allocated on the system against the correct invoice/customer. Any amounts from the paying in book that haven't been entered onto the system need to be investigated. Once you have identified what the receipt is for and that it hasn't already been posted incorrectly, you can enter it onto the system.	SBM
3	Automated Credits	Automated credits to the bank account should be identified and matched to the correct customer. Credits for bank interest should be posted onto the system using the bank receipt function or by a journal.	SBM

Petty Cash Processing



Step	Description	Requirements/Tasks	Who?
1	Petty Cash Voucher	A petty cash voucher should be completed with a detailed description of the expense highlighting the cost department. Receipts should be attached where appropriate. This should be authorised by the SBM relevant Budget Holder prior to cash being released.	Claimant/Budget Holder SBM
2	Cash	Once the petty cash slip has been completed the claimant will then receive a cash payment and will be requested to sign to confirm receipt of the reimbursement. Detailed records of transaction kept on a spreadsheet. When the cash float of £400 runs low the Business Manager will write a cheque to the Academy and take the money from any monies waiting to be banked. If there is no money available then the Business Manager or Headteacher will need to visit the nearest bank to withdraw the cash.	SBM Headteacher, Deputy Headteacher or Assistant Head
3	Update Cash Book	The petty cash book is then updated detailing the nature of the expense and the date.	SBM
4	Reconciliation	A periodic reconciliation should be performed confirming the cash balance held is correct. Where possible this will be completed on the last day of each month. Any discrepancies should be identified and noted.	SBM/Headteacher
5	Journal	Once the reconciliation has been performed a journal can be prepared. Ensure all costs are allocated correctly.	SBM
6	Post Journal	The journal can then be posted onto the system	SBM

Bank Reconciliation



Step	Description	Requirements/Tasks	Who?
1	Bank Statements	Ensure Bank statements have been received and if not then request copies.	SBM
2	Bank Reconciliation	<p>Going into the bank reconciliation function on the system and select all items that have appeared on the bank statement.</p> <p>Ensure you have a copy of the previous reconciliation to hand, and mark off any items that have cleared subsequently.</p> <p>If this function is not available on the accounting system, run a print out of the banking activity for the period and compare to the statements.</p>	SBM
3	Identify reconciling Items	<p>Any items appearing on the system but not on the bank statement need to be included on your reconciliation.</p> <p>Items on the bank statement that you have not posted due to lack of information also need to be included on the reconciliation.</p>	SBM
4	Complete Reconciliation	Complete the reconciliation (form 1)	SBM
5	Old items	Any items that are older than six months need to be investigated. Cheques that have not been presented may need to be re-issued.	SBM
6	Signed Off	<p>Once the reconciliation has been completed and any old items investigated, the report should be given to the Head Teacher.</p> <p>The Head Teacher should review the reconciliation and authorise it.</p>	Head Teacher

6 VAT issues

As the Academy's main source of income relates to education, which is outside the scope of VAT, it has not been registered for VAT purposes.

However as the VAT sector is complex and ever changing the Academy would need to keep a good record of all 'VATable' supplies. This will ensure that should the Academy need to register, they do so in good time without suffering any penalties.

"At present the Academy is unable to recover input VAT as it is not currently registered for VAT or likely to be in the future. However the DFE issue a VAT grant to compensate for this purpose"

VAT claims will be submitted by the Business Manager to the Chief Financial Officer every month who will submit the VAT claim to HMRC.

Agreed Allowances

The Board of Governors have agreed the following allowances for employees:

Date Agreed	Approved by	Detail	Allowance
8 th July 2019	LGB	Pay As You Go Mobile Phone / Top up Cards for: Headteacher Deputy Headteacher Business Manager Site Supervisor Spare for use on trips kept in the main office	Provide a PAYG Mobile phone and top up cards as and when required. All phone users must adhere to the mobile phone policy
8 th July 2019	LGB	Vehicle Usage – Mileage Only payable to employees with Business Cover on their insurance, current MOT certificate and current full driving licence.	45p/mile
8 th July 2019	LGB	Call-out allowance out of hours for: Headteacher Business Manager Site Supervisor Assistant Caretaker	£20/call-out + mileage incurred
8 th July 2019	LGB	Duty Meal allowance	Any employee who runs an afterschool/lunchtime club may order 1 meal per week from the school kitchen

Written by: Michelle Stocks

Agreed and Adopted by Governors: 8th July 2019