



EBORA ACADEMY TRUST

Policy Number

14

**Statutory
Financial Management
And
Procedure Manual**

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Ebor Academy Trust

Financial Management and Procedure Manual

1. Rationale

The Ebor Academy Trust have developed this manual and procedures to ensure that appropriate systems of financial control are established and maintained which conform to the requirements for propriety and good financial management as defined by the Department of Education in accordance with the agreed Funding Agreements and the Academies Financial Handbook.

2. Principles

The Board of Directors will conduct the affairs of the academies in line with the Codes of Practice for Board Members of Public Bodies' and in line with the seven principles of public life

- **Selflessness**
Holders of public office should take decisions solely in terms of the public interest
- **Integrity**
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance or their official duties
- **Objectivity**
In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merits.
- **Accountability**
Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- **Openness**
Holders of public office should be as open as possible about all decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interests clearly demands
- **Honesty**
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.
- **Leadership**
Holders of public office should promote and support these principles by leadership and example.

3. Organisation and Responsibilities

a. Board of Trustees

The Board of Trustees have overall responsibility for administration of the finances of the Academy Trust as prescribed in the Funding Agreement between the Academy Trust and the DfE. The main responsibilities include:

- Ensure the grant from the DfE and other Restricted funding is used for the purposes intended
- Approval of the annual budget and any revisions
- Ensure a Scheme of Delegation is in place
- Ensure assets are managed
- Ensure accurate accounting records are maintained
- Ensure the budget monitoring statements are a true and accurate record on income and expenditure
- Approval of the Annual Statutory Accounts
- Receive audit reports and actions plans from the Finance & Facilities Scrutiny Committee.
- Approval of the Staffing Structure and any significant changes.

b. Finance & Facilities Scrutiny Committee

The main financial responsibilities of the Finance & Facilities Scrutiny Committee are detailed in their terms of reference, which include;

- Propose a recommended Start Budget to the Board of Trustees for approval.
- Monitoring of actual expenditure and income against the Start or Revised budgets
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and DfE guidance, in particular the Academies Financial Handbook and Accounts Direction.
- Authorising the award of contracts up to the amount stated in the Scheme of Delegation
- Reviewing the reports of the Auditing Officers on the effectiveness of the financial procedures and controls and provide recommendations and actions plans to the Board of Trustees.
- To monitor the execution of actions plans produced as a result of any and all audits.
- To review financial policies as appropriate.
- To review recommendations on staffing structures and minor appointments from a financial perspective.

c. CEO

The CEO has overall executive responsibility for the Academies within the Trust. They have responsibility for the following as detailed in the scheme of delegation;

- Approving new staff appointments.
- Authorising contracts up to the amount stated in the Scheme of Delegation, reporting these decisions to the Finance & Facilities Scrutiny Committee.
- Signing cheques as detailed in the scheme of delegation.
- Credit/Debit Card Holder
- Authorising payments to suppliers and staff

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

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

The Accounting Officer has the duty to take action if the Board of Trustees or any member of staff, including themselves, is contemplating a course of action, which he considers an infringement of propriety or regularity. Objections should be put in writing to the Board of Trustees and details sent to the Company Secretary and the external auditors. The Accounting Officer may delegate, or appoint others to assist in these responsibilities.

d. Executive Headteacher/ Headteacher / Principal / Head of School

Are the operational managers with responsibility for authorising and monitoring the finances of their school. The scheme of delegation details levels of authorisation for categories of Headteacher / Principal / Head of School.

e. Finance Director

The Finance Director works in close collaboration with the CEO / Executive Headteacher to report to the Finance & Facilities Scrutiny Committee and is responsible to the Board of Trustees.

The main responsibilities of the Finance Director, with regard to financial management, are;

- The day to day management of financial issues including the establishment and operation of suitable accounting systems;
- The management of academy's financial position at strategic and operational level;
- The maintenance of effective systems of internal control;
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying financial records of the academy;
- Preparation of monthly management accounts
- Ensuring forms and returns are sent to the DfE in line with their reporting deadlines.
- Signing cheques / authorising BACs in accordance with the Bank Mandates
- Ensure appropriate mechanisms are in place for the provision of payroll and reconciliation of payroll data from the Academy's payroll service provider.
- Management of the Academy's Service Level Agreements
- Ensure the scheme of delegation is followed with regard to responsibilities for authorisation.
- Signing cheques as detailed in the scheme of delegation.
- Credit/Debit Card Holder
- On-Line Banking & BACS Authorisation
- Maintain adequate banking facilities for the Trust in line with recommended practise.
- Line manage the other finance staff employed by the Trust to ensure the effective delivery of the above.

f. Responsible Officer

The Responsible Officer role is appointed by the Board of Trustees to carry out an independent insight into the academies systems and controls. Duties include;

- Provision of independent assurance that the financial responsibilities of the Board of Trustees are being properly discharged.
- Resources are being managed in an efficient; economic and effective manner;
- Sound systems of internal financial control are being maintained; and financial considerations are fully taken into account in reaching decisions.
- Mazars (Leeds) have been contracted to provide external audit services.
- Under the terms of the Academies Financial Handbook there is no requirement for an internal audit. However it is the responsibility of the Trustees to ensure that all risks within the trust are identified and managed.
- In order to provide assurance that the risks are being adequately managed and identified a non-employed trustee with the appropriate level of qualifications will be appointed to report to the Trustees on the internal control systems and risk management.

General areas for review will cover, but are not limited to, the following:

- Review that bank reconciliations have been carried out each month
- Review of monthly payroll to ensure that any changes have been appropriately authorised and agreed
- Cross reference where appropriate to Finance and Facilities Scrutiny Committee minutes.

- Check sample purchase orders to delivery notes and invoices to ensure that the documentation is complete and has been appropriately checked and authorised.
- Check of sample payments back to invoices, orders and delivery notes.
- Review a sample of expense claims to ensure the appropriate documentation to support the claim and that the claim is appropriately authorised.
- Review returns to DfE to ensure the information supplied is consistent with the underlying records and internal management reports.
- Carry out spot checks of cash balances and supporting vouchers where appropriate.
- Review all major contracts and ensure formal tender procedures exist and are being followed.

g. Clerk to the Board of Trustees

Responsible to the Board of trustees for accurate record keeping of Trustee meetings, including the Finance & Facilities Scrutiny Committee, and maintenance of the Register of Business Interests.

h. All Staff

All staff are responsible for the security of the Academy's property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and conformity with the requirements of the Academy's financial procedures.

Register of Business Interests

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

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parents/carers, spouse, child, cohabitee and business partner where that person could exert influence over a Director or member of staff. Declarations of Interests should be given at the start of all Trustee Board and Committee meetings.

4. Governor Allowances

The Trustees of the Ebor Academy Trust believe that the governing body plays a key role in the success of the school. Individual governors should not be deterred from playing their full part because of incidental costs.

The Education (Governors' Allowances) (England) Regulations 2013 make provision for allowances to be paid to governors and associate members of governing bodies.

The Ebor Academy Trust has agreed that the following expenses can be claimed:

- a. Childcare or babysitting (other than done by a resident and responsible person at the home address) at a rate equivalent to the current minimum wage.
- b. Photocopying and stationery will be provided by the school.
- c. Telephone charges and other incidental costs

Claims should be submitted by the Clerk to the governing body who will check and authorise claims for £20 or less. Claims for more than £20 will be checked and authorised for payment by the Finance Director.

5. Gifts & Hospitality Policy

The Finance Director, in liaison with the Human Resources Director is responsible for maintaining a register on the acceptance of gifts, hospitality, awards, prizes or any other benefits which might be seen to compromise the personal judgement or integrity of a member of staff.

All staff are made aware of the policy upon induction and via regular reminders.

When giving gifts, it is the Finance Directors responsibility to ensure that the value of the gift is reasonable and within the trusts scheme of delegation of financial powers. The reason for the gift is fully documented and held within the register.

The full policy is detailed in appendix 1

6. Financial Planning

The Finance Director will prepare financial plans, forecasting between three and five years, in consultation with the CEO, Executive Headteacher and Headteachers / Principals / Heads of School. The Finance Director will be the person responsible for preparing this information which is shared jointly between the Finance Director and other relevant members of senior staff.

7. Annual Start Budget

The Finance Director, in liaison with the CEO / Executive Headteacher is responsible for preparing and obtaining approval for the annual budget from the Finance & Facilities Scrutiny Committee and providing the recommendation for approval to the Board of Trustees.

The approved budget must be submitted to the DfE by the published timetable each year. The Finance Director is responsible for establishing a timetable which allows sufficient time for the approval process and ensures the submission date published by the DfE is met. The budget planning process will incorporate the following elements:-

- Forecasts of likely pupil/student numbers to estimate the amount of DfE grant receivable
- Review of other income sources
- Review of past performance against budgets
- Identification of potential efficiencies
- Annual review of expenditure headings to reflect known changes and expected variations in costs, increases, inflation or other anticipated changes.

The draft Start Budget should be presented to the CEO / Executive Headteacher and the Finance & Facilities Committee. The Finance Director will present the recommendations to the Board of Directors. Once approved the Finance Director will communicate budgets to budget holders.

Periodically, budgets will be reforecast for the current year to take account of any changes in staffing, operations and new information. These will be communicated appropriately with senior members of staff and reported to the Finance & Facilities Committee.

8. Budget Management

- The Finance Director is responsible for ensuring the reconciliation of all bank accounts and budgets monthly.

- Management Accounts will be produced monthly for relevant senior leaders and budget holders to effectively monitor the financial performance of their school.
- The Finance & Facilities Scrutiny Committee will receive budget monitoring reports four times a year from the Finance Director on current spend against budget and forecast outturn expenditure. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration by the Finance & Facilities Scrutiny Committee.
- The CEO / Executive Headteacher may delegate elements of the budget to staff where this is appropriate. The Finance Director will advise budget holders on the performance of the budget and alert any concerns. Any potential overspends against the budget must in the first instance be discussed with the Finance Director.
- The Finance & Facilities Scrutiny Committee will continually monitor the quality of the financial information presented to the Committee to ensure that what is provided remains appropriate, particularly in terms of its timing, level of detail and narrative.
- The Start Budget must be set using appropriate tools and software and up-to-date re-forecasting will record in-year changes. An audit trail of all virements made after the approval of the original budget must be made.

7. Accounting Systems

a. Financial Accounting System

The Ebor Academy Trust uses the PS Financials accounting system. All transactions relating to the budgets of the Ebor Academy Trust will be recorded using this system and a clear audit trail should be available for audit. Documentation should be retained for 7 years in accordance with the Companies Act.

Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use. All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.

The finance system is backed up using a virtual web-based server.

b. Transaction Processing

- All journal transfers and transactions in the Nominal Ledger will be processed by members of the Central Services Team.
- Fixed Asset transactions will be approved by the Finance Director
- Purchase Order Requisitions will be approved in accordance with the Scheme of Delegation and maintained in PS Financials
- Sales Ledger & Purchase Ledger transactions will be processed by the Finance Team.
- BACS or Manual Payments should be raised by Finance Director or Finance Manager and countersigned in accordance with the Bank Mandate as per Scheme of Delegation
- The Finance Director will obtain and review system reports to ensure only regular transactions are posted to the accounting system.
- The Finance Director will ensure monthly reconciliations in respect of the sales ledger; purchase ledger, payroll, nominal ledgers and cash book.

c. Accounting for 'Other' Income using ParentPay

The Academy uses ParentPay to collect much of its 'other income'. This system is set up for access by all Office administration staff based at the schools within the Trust; each user is defined with a unique ID and password.

The school administration staff produces income reports for the Finance Team to transact in the finance system and bank.

8. Payroll

The Trust outsources payroll to the City of York Council (CYC) payroll team. The responsibilities of the Trust are to ensure that;

- Staff appointments and leavers are actioned following the CYC deadlines
- Amendments to staff contracts are actioned following the CYC deadlines
- Claims for additional payments are actioned following the CYC deadlines
- Payroll administration, including statutory compliance, is completed by CYC as the Trust's payroll bureau, and any approval and review is completed as appropriate
- Payments to staff are made to contracted deadlines and that effective management monitoring is possible.

Additionally;

a. Staff Appointments:

The Board of Trustees approve the Staffing Structure and any material changes. The Board of Trustees is responsible for ensuring adequate budgetary provision exists for any establishment changes following recommendations from the Finance & Facilities Scrutiny Committee and Local Governing Bodies where appropriate.

The CEO / Executive Headteacher has the authority to appoint staff within the approved budget constraints. The Human Resources Director is responsible for maintaining personnel files for all members of staff.

b. Payroll Administration

The Academy's payroll is outsourced to City of York Council Payroll Services. All Payroll transactions relating to Academy staff, permanent or casual, will be processed through the payroll system. All new appointments, leavers, changes to contracts or personal details must be approved appropriately by the CEO, Executive Headteacher, Human Resources Director and / or Finance Director

Teachers' salary forms should be signed by the CEO, Executive Headteacher, human Resources Director or Finance Director as per the Scheme of Delegation. Copies should be retained on the employees personnel file and the original sent to payroll.

All personnel files shall be stored in a lockable cabinet, with electronic records taken for contracts and contractual amendments. Only senior members of staff, the Central Services Team and certain school based administration staff will have access to staff files but individuals can request to see their own files in line with data protection polices.

Absence records are maintained by the Human Resources Manager. Both paid and unpaid leave is notified to payroll. Staff claims for overtime must be checked by the relevant line manager and the Human Resources Manager.

Payroll is authorised by the Finance Director following a check against the current budget and explanation of variances.

c. Payments and Monitoring

All salary payments are made by BACS following approval by the Finance Director and any discrepancies rectified.

The Payroll Manager will undertake a reconciliation of each month's payroll to internal records and the prior month, investigating any differences between the previous months gross salary against the current months.

The payroll system automatically calculates the deductions due from salaries to comply with current legislation.

City of York Council invoices the Trust a month in arrears following payment.

The Finance staff will enter the payroll data into PS Financials following receipt of the invoice and ensure the invoice is paid under the agreed terms.

9. Value for Money (VFM) Procedures

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

a. Orders of £1,000 and below

Consideration to be given to alternative suppliers.

b. Orders between and including £1,001 and £5,000

Consideration to be given to alternative suppliers and evidence attached to requisition if quotes have been sought, relevant Executive Headteacher or Finance Director approval needed.

c. Orders between and including £5,001 and £10,000

At least 3 written quotations must be obtained for all orders to identify the best value of the goods/services. Where it is not possible to gain 3 written quotes, evidence must be provided and a rationale given by the requester. Relevant Executive Headteacher or Finance Director approval needed.

Written details of quotations should be attached to the requisition in PS Financials or retained by the requisitioner for audit purposes.

d. Orders between and including £10,001 - £50,000

A minimum of three formal quotations to be obtained in writing by a specified date and time based on a written specification. Evidence to be attached to the requisition in PS Financials or to be retained by the requisitioner. Formal tenders may be requested if it is felt this would gain best value for the Trust. Approval by the relevant Executive Headteacher, CEO and/or Finance Director is needed.

e. Orders over £50,000 – E U Threshold (check up to date limits

<http://www.ojeu.eu/>)

Goods or services ordered with a value over £50,000 or for a series of contracts in which the total exceeds £50,000 must be subject to formal tendering procedures as detailed below. All paperwork relating to the tender must be kept in the Central Services Team office.

f. Orders over E U Threshold <http://www.ojeu.eu/>

Purchases over the EU Thresholds are by law subject to EU Public Procurement Directives for the advertising and Award of Contracts, specific details of the thresholds can be found here <http://www.ojeu.eu/thresholds.aspx>.

10. Forms of Tender

a. Open Tender:

Potential suppliers are invited to tender. The budget holder must discuss and agree with the Finance Director how best to advertise for suppliers. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

b. Restricted Tenders:

It is appropriate to ask /invite specific suppliers to tender 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 requirements
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- A preferred supplier exists for that purchase (justification must be given).

c. Negotiated Tender:

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

- The above methods have resulted in either no or unacceptable tenders,
- Only one or very few suppliers are available,
- Extreme urgency exists,
- Additional deliveries by existing supplier are justified

11. Preparing for Tender

Full consideration should be given to:

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

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

12. Invitation to Tender

An invitation to tender should include the following:

- Introduction/background
- Scope and objectives of the project, purchase or contract
- Technical requirements
- Implementation of the project, purchase or contract
- Terms and conditions of the tender
- Form of response

Considerations for Appointment of Contractor

Financial:

- Comparison of like with like cost and if a lower price means a reduced service or lower quality this should contribute to an informed decision
- Hidden costs – care should be taken to ensure tender price is the total price.
- Scope for negotiation

Technical:

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

Other considerations:

- Pre sales demonstrations
- After sales service
- Financial status of supplier

Tender Acceptance Procedures

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

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

Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. A minimum of two persons should be present at the opening of the tenders this would normally include the Finance Director and the relevant Executive Headteacher, in some circumstances this could be delegated to an agent or other member of staff who has been employed by the Academy to undertake the tendering process for example building consultants.

Tender Evaluation Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, which may influence their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process. Those involved must take care not to accept gifts or hospitality from potential suppliers that could be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and for contracts over £25,000; a report should be prepared to the Finance & Facilities Scrutiny Committee.

The accepted tender should be one that is economically most advantageous unless it can be demonstrated that this is not the best option for the Academy and other factors outweigh any monetary savings.

13. Purchasing

The Academy will aim to purchase goods and services using the four principles of best value whenever possible;

- CHALLENGE - why and how a service is being provided
- COMPARE - performance with that of others across a range of relevant indicators, taking into account the views of service users and potential suppliers
- CONSULT - with service users and the community in setting new performance targets
- COMPETE - in order to secure efficiency and effectiveness

The following should also be considered;

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

The Finance Director will ensure that there is a clear segregation of duties within the Finance Team, which would, if combined, enable one individual employee to record a complete transaction.

Additionally, each Academy will hold its own list of responsible budget holders, their areas of responsibility and approval limits. This will also be replicated and maintained by the Finance team and approved by the Finance Director.

a. Orders for Goods and services

All purchases must have an approved purchase order that has been raised in PS Financials and approved appropriately before being sent to the supplier.

Telephone/direct verbal ordering will be permitted only in situations where raising an official order is not practicable and with prior approval from the Finance Director. In such cases, a written confirmation order will be raised as soon as possible, normally within 24 hours.

Purchase orders are retained electronically in PS Financials.

b. Credit/Debit Card Purchases

Debit form should be completed and authorised prior to ordering and attached to the purchase order for input into the system.

c. Delivery of Goods and Services

Goods received for purchases should be recorded in PS Financials by completing a Goods Received Note (GRN) for that particular purchase order. This is to ensure that those goods ordered match those that are received.

14. Payment of Accounts

a. Processing of Invoices

Payment for supplies and services will be paid upon receipt of an invoice following confirmation that the goods have been received and the invoice is correct. The Finance Director authorises payment. The invoice will be processed and the payment made using BACS, Faster Payment or cheque in accordance with the bank mandate. Where possible all suppliers must be paid by BACS.

Payments via the credit/debit card will be coded and entered onto the system to be reconciled by the Finance Team on receipt of the bank statement.

b. Payments to individuals (Expenses)

Payments can be made to individuals on production of VAT receipt or invoice whenever possible. Individuals should complete the Staff Expenses form, and attach it to the receipt, ensuring it has been appropriately approved before submitting it for payment. All staff must be aware that the Trust is under no obligation to reimburse staff for incurring costs which are not approved school expenses.

c. Petty Cash

The academy has agreed to make the use of the petty cash account redundant from June 2014. All purchases should be carried out by other methods outlined within this policy.

d. Internet Purchases

Internet purchases using the credit/debit card should be carried out using the procedure outlined above. If an internet purchase is made using an individual's funds, this must be included on an Expenses Claim form.

15. Income

a. ESFA Funding

It is the responsibility of the Finance Director to ensure all grants and funding from the ESFA are collected and recorded on PS Financials.

b. Parents/carers and the Public

The Academy collects income from parents/carers or the public for:

- **Academy Meals/Additional Nursery Places, Breakfast & After School Club**

Academy Meals, Nursery top-ups and Breakfast/After School Club income is recorded on Parent Pay by the school administration staff, recorded on PS Financials and banked. The school administration staff monitors payments, chases late payments and alerts the Finance Team of any concerns.

- **Lettings**

Invoices are raised for lettings and receipts and are recorded on PS Financials. The Office Manager will manage bookings and chase late payments. The Lettings Policy (Appendix 2) which will be reviewed annually and charges amended accordingly.

- **Trips and Residential visits**

Trips and residential visits are coordinated via the Office Manager who is responsible for recording income and ensuring the correct amounts are recorded showing there is no intention to make a profit. The Finance Team will record income on PS Financials. The Charging and Remissions Policy (Appendix 3) which will be reviewed annually.

e. Other Income

The Academy generates other income through a variety of sources, such as School to School support and Schools Direct. Agreements will be retained, for example by a customer's PO, signed contract, service level agreement, or email.

f. Custody

Cash income collected through the academy will be kept in a safe and banked periodically, more frequently if the cash sum exceeds £500.

g. Debtors

Debts will be recovered in line with the Debt Management Policy (Appendix 4) which will be reviewed annually.

16. Cash Management

a. Bankers

The Academy have appointed Lloyds Bank as their bankers for all funds.

b. Deposits

Income is recorded on PS Financials using nominal receipts, sales receipts and paying in slips. The monies are recorded on the paying in book and banked. These deposits are reconciled through the bank statements.

c. Payments and withdrawals

All BACS payments, cheques and other instruments authorising withdrawal from any of the Academy's bank accounts must bear signatures / electronic signatures in line with the Bank Mandate and scheme of delegation.

d. Bank Reconciliations

The Finance Director must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures will ensure that all bank accounts are reconciled to PS Financials.

e. Credit/Debit Cards

The procurement of goods and services through the use of credit/Debit Cards should be kept to a minimum.

Credit/Debit Card Holders will;

- Ensure cards are held securely
- Ensure PIN numbers are not disclosed to any other persons
- In recognising the increased risks associated with credit/debit card use, the academy will report any instances of unauthorised card use to the Finance & Facilities Scrutiny Committee and report the loss of card or PIN details to the Bank immediately

17. Cash Flow Forecasts

The Finance Director is responsible for profiling budget and monitoring cash flow to ensure that the Academy has sufficient funds available to cover day-to-day operations. Medium and long term cashflow forecast must be prepared and received by the Finance & Facilities Scrutiny Committee.

18. VAT

a. VAT 126 Claims

Under legislation VAT claims can be made on expenditure supporting the Academy's core business purposes. Claims will be made to the HMRC on form 126 by the Finance Team at least quarterly following a full reconciliation of all accounts.

b. VAT Registration

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

19. Reporting to the DfE

The Academy is required to submit reports to the DfE in the following areas;

a. FMGE

The Academy is required to complete a FMGE return by 31st January each year.

b. The Annual Start Budget

The Finance Director must ensure that a final budget is submitted setting out the Academy's plans for the forthcoming academic year in the required format and by the required deadline as notified by the DfE.

c. Budget Monitoring

The Academy will submit budget monitoring returns to the DfE, on an accrual basis in the required format by the required deadlines as notified by the DfE.

d. Annual Accounts

As a Charitable company the Academy must comply with company law as set out in the Companies Act 1985. This includes a requirement to prepare a Directors' report and financial statement ('annual accounts') and for these to be independently audited by a registered auditor. Financial Statements should be prepared to **31st August each year**. They should include:

- Income received within the period
- Expenditure on all activities within the period
- All assets and liabilities of the Academy at the balance sheet date
- All cash received and expended within the period
- Notes to the accounts

The Annual accounts must be submitted by **31st December**. As soon as the DFE deadline, but by no later than **30th June** (10 months after the end of the accounting year), a copy of the Directors annual report and audited final accounts must be sent to Companies House.

20. Self Assessment of Management and Governance

The Board of Directors and the Finance Director will ensure that annually a self assessment is undertaken in order to provide the ESFA with an annual assurance on the adequacy of the Academy's arrangements for financial management and governance.

The self-assessment will provide assurance to the Academy's accounting officer that conditions of funding are being met, and that appropriate systems of control are in place.

21. External Auditors

The Academy appointed Mazars as their external auditors in April 2014.

22. Whole of Government Accounts

Apart from its own year-end date of 31st August, the academy is required to supply information to the DfE as of 31st March to support the Whole of Government Accounts. The Finance Director will complete the WGA return with the information requested and within the published deadlines for that year.

23. Annual Budget Cycle

October: Office Manager completes the census return which is used by Government as the basis for the funding for the next financial year.

March: Academy receives its Draft Funding Statement for the following year from the Education Funding Agency (EFA).

March /April: Revised budget presented to the Directors

April: The Finance Director to work with SLT and begin to draft Start Budget.

April / May: Finance Director completes Whole of Government Accounts.

May: CEO and Finance Director discuss detail of Start budget and present to Finance & Facilities Scrutiny Committee. Academy Payroll Manager to prepare and return Teachers Pension Information.

June: Board of Directors to approve the Start Budget. This is prepared by the Finance Director, signed by the CEO / Executive Headteacher and Chair of the Board and returned to the EFA.

July: Appointed Auditors start their preparative work on the Annual Accounts

Aug/Sept: Financial Year end (31st August), Finance Director to prepare Year End Accounts

Start of new Financial Year (1st Sept) Finance Director and CEO / Executive Headteacher to support Trustees in preparation of Directors Report

Nov: Draft Annual Accounts for Trustees to review.

Dec Appointed Auditors present accounts to Full Board of Directors. Directors approve Financial Statements.

Dec: Annual Accounts are submitted to the DFE and published on the Trusts website.

Appendix 1

Gifts and Hospitality Policy

Introduction

- 1 This document sets out guidelines on the acceptance of gifts and hospitality by employees. Its objective is to provide clear guidance as to what is acceptable conduct in order to protect the interests of both the Trust and its employees.
 - 2 The guiding principle of the policy is that:

“The public is entitled to demand of a local government officer conduct of the highest standard and public confidence and his or her integrity would be shaken were the least suspicion to arise that s/he could in any way be influenced by improper motives”.
 - 3 The acceptance of gifts and hospitality can inevitably lead to suspicion of improper motives or even bribery and corruption. Even where a gift or hospitality is offered or accepted innocently an employee may place the Trust and him or herself in an embarrassing position if:
 - an allegation of improper conduct is later made
 - an employee is unconsciously influenced by the gift or hospitality in carrying out their official duties
 - a precedent is set which is abused by an unscrupulous person.
 - 4 It should be realised that if an allegation of improper conduct were to lead to criminal proceedings, the Prevention of Corruption Act 1916 assumes that a gift is given corruptly unless proved to the contrary.
 - 5 It is therefore essential that staff act with a high level of caution in the acceptance of any kind of gift or hospitality. Staff should consider whether acceptance would be consistent with these guidelines and whether the decision would be defensible if it were made public. Staff should be alert to the possibility that seemingly innocent approaches may be made to them both in their official capacity or as private individuals with the ultimate aim of influencing the outcome of an official decision (eg planning application, grant award, contract award). In essence employees should not accept any gifts or hospitality which they cannot wholly justify, and where any doubt remains they should consult with their Chief Executive Officer.
 - 6 Staff should also be particularly careful about making use of services or goods from firms who are actively engaged in business with the Trust. This is particularly relevant where the goods or services are substantial in value or where the provider normally deals with a commercial market rather than a domestic one.
 - 7 Under no circumstances must an employee solicit gifts or hospitality of any kind or allow the receipt of any gift to influence them in the conduct of their duties.
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Gifts

- 8 The term gift includes not only money or goods but also services offered to an officer privately at a preferential price because of the employee's official position as a Trust employee. In general gifts should not be accepted, however there are a number of exceptional circumstances where gifts may be accepted. If there is any doubt an employee should obtain the approval of his or her Line Manager or the Finance Director before accepting a gift.
- 9 Official gifts from visiting dignitaries or for example representatives from other cities may be accepted on behalf of the Trust.
- 10 Token gifts of no great value (eg a cake) may be accepted from members of the public where it would cause hurt or ill feeling to refuse. For example if a child offers a gift as a means of thanking an employee for their help.
- 11 Promotional materials from suppliers may be accepted if they are of minimal value, for example: calendars, diaries and pens. If received such items should be distributed around the office in an equitable manner.
- 12 On occasion gifts of greater value (such as alcohol) are received in circumstances where they cannot be refused, for example in the post. Such gifts should normally be allocated to staff on an equitable basis such as a draw or raffle. However if a person or firm is repeatedly sending gifts of more than token value the relevant manager should write to the giver asking them to cease.
13. The Trust will maintain a register recording any gifts received of more than token value. The register will contain the following information:
 - The name and address of the person/firm making the gift
 - The person receiving the gift
 - The estimated value of the gift
 - The action taken to dispose of the gift

The register should be reviewed periodically by the Finance & Facilities Scrutiny Committee.

- 14 If an employee is offered money or a gift that is substantial in nature or a gift is offered under circumstances where there is a suspicion that the giver is seeking to influence an officer in the performance of their duties, the gift must be politely but firmly refused and the matter reported at once to the relevant manager and to the Finance Director who will advise on the appropriate course of action.

Hospitality

- 15 Hospitality may be defined as meals, drinks or attendance at social events offered by suppliers or potential suppliers of goods and services or by other interested parties. As with gifts, the acceptance of hospitality must be considered carefully to avoid the possibility of allegations of improper conduct.
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- 16 Hospitality should only be accepted where it is in the interests of the Trust for an employee to attend the event or entertainment. Hospitality that is excessive given the circumstances or occasion should not be accepted.
- 17 Attendance at hospitality events must be authorised wherever possible by the relevant Director or an employee to whom this responsibility has been delegated. Acceptable forms of hospitality are:
- attendance at dinners, receptions and ceremonies where an employee is representing the Trust;
 - working lunches in sectors where this is a normal and acceptable way of holding business discussions. A free lunch offered as part of a travelling salesman's "pitch" is unlikely to be acceptable;
 - refreshment offered at a site visit, conference or demonstration;
 - other events where, in the view of the authorising officer, attendance will be of benefit to the Trust and it is apparent that no reasonable cause of criticism could arise.
- 18 The Trust will keep a register of hospitality received containing the date, location, persons involved, reasons and the signature of the authorising officer. This register will be reviewed periodically by the Finance & Facilities Scrutiny Committee.
- 19 An employee attending a hospitality event must bear in mind that they are an official representative of the Trust and should not engage in any conduct likely to bring the Trust into disrepute (eg drunkenness).

Disciplinary Action

- 20 An officer found to be acting in contravention of these guidelines may be subject to disciplinary action. If there are grounds for suspicion that an employee has solicited gifts or has allowed the receipt of gifts to influence them in their official duties an investigation will be mounted which may result in criminal proceedings.

If you would like advice or further guidance please contact the Finance Director



Appendix 2 Ebor Academy Trust Lettings Policy

1. Rationale

The Board of Trustees wish to ensure that the Academy and its facilities are made available for use by the members of our community.

2. Aims

- The Lettings Policy will:
 - Facilitate the use of Academy resources, including the building, grounds and resources, by outside users (i.e. individuals, groups, clubs, associations, businesses and agencies) for the benefit of pupils/students from the Academy and members of both the local and wider community.
 - Establish the purposes for which the Academy facilities can be hired, and who it can be hired by.
 - Provide clear guidelines for the appropriate use of the Academy facilities and its resources by hirers.
 - Establish a scale of charges which will enable the Academy to cover the costs incurred through the letting and, where appropriate, to make a modest profit to cover wear and tear

3. Administration of Lettings

Lettings are administered by the Academy's Finance & Admin Team in accordance with the Board of Trustees' wishes.

Applications for the hire of the facilities should be made through the Academy Office. Final responsibility for deciding upon the acceptability of an application for hire of the facilities rests with the School's Local Governing Body (but will normally be delegated to the Headteacher / Principal / Head of School on a day-to-day basis).

4. Users and Usage

The Trustees will particularly support and encourage out-of-hours use of the building or grounds when this serves the needs of children attending the Academy or other members of the local community. Directors must, however, be assured that the facilities are appropriate for the activity and that the intended use will have no detrimental effect upon the Academy.

5. Charges

Where the use of the premises is primarily for the benefit of the local community, and not solely to profit the hirer, Trustees will endeavour to keep hire charges to the minimum necessary to cover the costs to the Academy of caretaking, energy and wear and tear. Where the letting will mainly serve the interests of the hirer, rather than those of the community, the Trustees reserve the right to charge a higher fee, which will enable the Academy to share in the benefits of the letting. Scales of charges are included in the appendices to this policy.

Annual increases to be reviewed during the term being fixed and publicised for the coming academies year.

6. Guidelines for Users

Hirers must ensure that they have read, and abide by the guidelines outlined in, the 'Rules of Hire'. Hirers will be given a copy of the Extended School Clubs and External Hirers Information pack.

7. Security

The Trustees have taken steps to establish measures and procedures to ensure the security of the building and its users and it is the responsibility of the Hirer to ensure that these are observed.

The building will be opened at the beginning of the letting and the Hirer should then ensure that security is maintained.

External doors should remain locked during the letting to prevent access by intruders. Users should remain in the areas of the building that have been hired for the letting. The building should be left secure at the end of the letting.

8. Care of the Building

Hirers should be aware that there is not usually much opportunity for cleaning the area that they have used before the next days lessons.

We would therefore be very grateful if every effort could be made to leave areas clean and tidy at the end of the letting so that children do not have to work in dirty or untidy areas the next day.

Hirers should encourage users to:

- wipe shoes thoroughly
- ensure that litter is put into bins
- flush toilets.

9. Pricing

Each academy within the Trust maintains a list of its own pricing for lettings which is held by the administration office. This will also include any policies relating to specific facilities for which the school needs a policy, for example a swimming pool or tennis courts.

Appendix 3 Ebor Academy Trust Charging and Remissions Policy

1.0 Aims of the Policy

The Ebor Academy Trust believes that all our pupils/students should have an equal opportunity to benefit from activities and visits (curricular and extra curricular) independently of their parents/carers financial means. This charging and remissions policy describes how we will do our best to ensure a good range of visits and activities is offered and, at the same time, try to minimise the financial barriers which may otherwise prevent some pupils/students taking full advantage of the opportunities.

2.0 Background to The Policy

Sections 449 to 462 of the Education Act (1996) requires all Academies to have a policy on charging and remissions for activities. This legislation may be viewed at http://www.opsi.gov.uk/acts/acts1996/ukpga_19960056_en_28

3.0 Items for which no charges will be made

- 3.1 Education provided during Academy hours (including the supply of any materials, books, instruments or other equipment).
- 3.2 Education provided outside Academy hours if it is part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil/student is being prepared for at the Academy, or part of religious education.
- 3.3 Tuition for pupils/students learning to play musical instruments if the tuition is required as part of the National Curriculum, or part of a syllabus for a prescribed public examination that the pupil/student is being prepared for at the Academy, or part of religious education.
- 3.4 Entry for a prescribed public examination, if the pupil/student has been prepared for it at the Academy.
- 3.5 Examination re-sit(s) if the pupil/student is being prepared for the re-sit(s) at the Academy.
- 3.6 Transporting registered pupils/students
 - to or from the Academy premises, where the local education authority has a statutory obligation to provide transport;
 - to other premises where the Board of Trustees or local education authority has arranged for pupils/students to be educated;
 - to enable them to meet an examination requirement when they have been prepared for that examination at the Academy.

4.0 Items for which charges will be made

4.1 Within Academy Hours

4.1.1 Educational visits and activities – voluntary contributions

When organising educational visits or activities, which enrich the curriculum and the experience of pupils/students, the Academy invites the parent/carer to make a voluntary contribution towards the cost of the visit or activity. Although not an exhaustive list;

these activities may include visits to museums, galleries and the theatre as well as sporting activities.

If the Academy does not receive sufficient voluntary contributions we may need to cancel the visit or activity. When a visit or activity does go ahead it may include pupils/students whose parents/carers have not paid any contribution. We may not, by law, exclude these pupils/students and indeed would not wish to treat them differently from others.

4.1.2 Swimming

The costs of providing swimming tuition in any of our Academy's pools will currently be met by the Academy. This will be reviewed on an annual basis.

4.1.3 Music

All pupils/students study music as part of the normal Academy curriculum for which no charge is made. In addition, several music groups run during the Academy day, at lunchtime or after school for which no charge is made (e.g. recorder groups, Choir). The Trustees do, however, reserve the right to charge for these activities as "optional extras" if they occur outside Academy hours and are not part of the National Curriculum.

Peripatetic music teachers teach individual or group lessons for which a charge is made. There is some remission of fees for those families in receipt of certain state benefits. Information about additional music tuition is available from the Academy office.

4.1.4 Craft/Technology Activities

All pupils/students have the opportunity within the Academy curriculum of taking part in activities such as craft and technology. The Board of Trustees reserve the right to charge for ingredients and materials at cost when they are not provided by the parents/carers.

4.1.5 Cook School (Primary Schools)

Children will be given the opportunity to take part in a Cook School session during the Academy year. Parents/carers will be invited to make a voluntary contribution towards the cost of this activity. When Cook School takes place it may include pupils/students whose parents/carers have not paid any contribution. We may not, by law, exclude these pupils/students and indeed would not wish to treat them differently from others.

4.2 Not Within Academy Hours

4.2.1 Residential Visits

Charges will be made for the cost of the visit (Board and lodging, travel costs, entrance fees etc.). Families are invited to pay in instalments over several months or in one single payment. Any parent/carer who refuses or is unable to meet the charge should not expect their child to be included. Any parent/carer unable to meet the cost is invited to apply for a remission, please refer to section 6.

4.2.2 Optional Extras

Charges may be made for some activities known as "Optional Extras". These may include-

- extra curricular activities
 - any equipment and/or staffing in relation to extra curricular activities
 - Breakfast, After School and Holiday clubs
-

Any charge made in respect of individual pupils/students will not exceed the actual cost of providing the activity. It will not, therefore, include an element of subsidy for any other pupil/student. Participation in any optional extra activity will be on the basis of parental choice and a willingness to meet the charges. Parental agreement is therefore a necessary pre-requisite for the provision of an optional extra where charges will be made.

Charges made by external providers of activities are the responsibility of those providers and consequently not covered by this Policy.

4.3 Other Charges

4.3.1 Additional Text Books and Study Materials

From time to time recommendations may be made regarding additional text books, equipment and study materials which could enhance a pupil's learning. In these circumstances it is the parents/carers choice to purchase and therefore the charge will be met in full by the parent/carer. Any such charge will be equal to the cost price of the item concerned to the Academy.

4.3.2 Lost or Damaged Items of Academy Property

Parents/carers may be asked to make a contribution towards replacing damaged Academy property caused wilfully or negligently by their child/ren. This may include window breakage and removal of graffiti. A charge to cover the cost of replacement may also be made for lost or damaged items of Academy property, including library books/text books.

4.3.3 Academy Uniform

The Ebor Academy Trust uses a clothing supplier who provides quality school wear at affordable prices. In exceptional circumstances the LA has discretionary power to provide assistance towards the purchase cost.

4.3.4 Academy Meals

Parents/carers whose child takes a lunchtime meal must pay the relevant cost stated by the Board of Trustees. Pupils/students may be eligible for free school meals. Application forms are available from the Academy office, on the website or from the relevant council website or office.

4.3.5 Public Examinations

A charge will be made for examination entry fee/s if the registered pupil/student-

- has not been prepared for examination at the Academy, or
- fails, without good reason, to complete the requirements of any examination for which the Academy has already paid or agreed to pay the entry fee.

5.0 Hire of Academy facilities

Trustees wish to encourage community use of the Academy's facilities when they are not required for Academy use. Details of the facilities available, the Terms and Conditions of Hire and the scale of Charges may be found in the Academy's Hire of Facilities (Lettings) policy.

6.0 Remissions

Ebor Academy Trust believes that all pupils/students should have equal opportunities to benefit from Academy activities and visits both curricular and extra curricular, independently of their parents/carers financial means. To that end the Board of Trustees have agreed in circumstances of family hardship they will invite parents/carers to apply, in confidence, for remission of charges in part or in full. Pupils/students may be eligible for a remission of charge if their parent/carer is in receipt of at least one of the following:-

- Income Support
- Income-based Jobseeker's Allowance
- Support under Part VI of the Immigration and Asylum Act 1999
- Child Tax Credit (provided they are not entitled to Working Tax Credit) and have an annual income, assessed by Her Majesty's Revenue and Customs, that does not exceed £16,190 from 6 April 2010)
- The guaranteed element of State Pension Credit
- An Income-related employment and support allowance.

In cases where the specific circumstances, often temporary, of a particular family's hardship fall outside these criteria; the Finance Director may use their discretion to remit charges in part or in full.

If a parent/carer wishes to apply for a remission of charge a form is available from the Academy office. Authorisation for such remission will be made by the Finance Director.

In the event a remission of charge is declined parents/carers have the right to appeal in writing to the Chair of Trustees whose decision will be final.

Appendix 4 Ebor Academy Trust Debt Management Policy

Rationale

The Academy will make every effort to regain monies owing for goods and services provided through the Academy.

Procedure

1) Voluntary Contributions

- a) The Academy may ask parents/carers for a voluntary contribution towards the cost of any activity out of school which takes place during academy hours.

Pupils/students of parents/carers who are unable or unwilling to contribute will not be discriminated against. Where there are not enough voluntary contributions to make the activity possible, and there is no way to make up the shortfall, then it must be cancelled.

2) Academy Meals/ After School Club/ Breakfast Club

Parents/ Carers will be charged for the care of children through the Academy After School Club, Breakfast Club and for lunchtime meals.

The Academy will carry out the following procedure to reclaim monies owing resulting from the provision through the After School Club, Breakfast Club and the purchase of lunchtime meals:

- a) A gentle reminder letter will be sent to parents/carers to encourage them to settle their account.
- b) Letter 1 - A letter will be sent to parents/carers if their account falls into arrears electronically via ParentPay.
- c) Letter 2 - A reminder letter will be sent to parents/carers if their account remains in arrears.
- d) Letter 3 - A strong letter urging parents/carers to bring their account into credit would be sent to parents/carers.
- e) Final Letter will be sent to parents/carers informing them that the Academy will consider legal action to reclaim the funds.

3) Lettings

Persons will be charged for hire of the facilities in accordance with the Lettings Policy.

The Hirer will be invoiced on a regular basis for the Hire of the facilities. The Academy will carry out the following procedure to reclaim monies owing from the hire of the facilities:

- a) Invoice will be issued stating that payment is due within 14 days from the date of the invoice.
 - b) If payment is not received within this time, a reminder letter/ email will be issued. The reminder will state that if payment is not received within 14 days a meeting may be arranged to formally review the contract with the possibility of a termination of the contract.
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- c) Formally review the contract.
- d) The Academy will consider legal action to reclaim any outstanding funds following termination of the contract.

4) **Residential Trips**

- a) The Academy charges for the cost of board and lodging during residential trips.
- b) Where the trips takes place wholly, or mainly, during academy hours children whose parents/carers are in receipt of the following support payments will, in addition to having a free school meal entitlement, will also be entitled to the remission of these charges:
 - i) Income Support;
 - ii) Income-based Jobseeker's Allowance;
 - iii) Support under part VI of the Immigration and Asylum Act 1999;
 - iv) Child Tax Credit provided the parents/carers is not entitled to Working Tax Credit

In cases where remissions are not appropriate and the parents/carers chooses not to pay then the pupil/student will be excluded from the trip.

5) **Instrumental Music Lessons**

- a) A charge may be made for instrumental music tuition.

The contract is between the provider and the pupil/student; the Academy will not become involved in the recovery of any debts resulting from the contract.

6) **Legal Action**

All debt which is uncollectable and reaches the legal stage must be declared to the Finance Director. A decision will be made by the Finance Director to proceed with legal action or write off the debt if legal action is uneconomical.
