



**BOURTON MEADOW EDUCATION TRUST
(BMET)**

**Including Bourton Meadow Academy,
George Grenville Academy, Lace Hill
Academy, Lumbertubs Primary School and
Spring Lane Primary School**

FINANCIAL PROCEDURES

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This manual has been prepared for the use of each academy and the Initial Teacher Training Centre (ITTC). For the purposes of these financial procedures, the ITTC is referred to as another academy unless specifically referred to separately. No responsibility for loss occasioned to any other person acting or refraining from action as a result of any material in this publication can be accepted by the authors, publisher, Trust or academy.

The Department for Education (DfE) Academies Financial Handbook 2018 and the Supplementary Funding Agreement (FA) between DfE and Bourton Meadow Academy, George Grenville Academy, Lace Hill Academy, Lumbertubs Primary School and Spring Lane Primary School contain requirements relating to financial management and associated issues, binding on both the DfE and on academies and academy trusts. This manual includes those requirements relating to financial management.

Subject to the provisions of the FA, the Trust Board of Directors/Local Governing Bodies may spend its budget share for the purposes of the academy.

Each academy abides by the accounting policies and procedures issued from time to time by the DfE when reporting to the DfE and its funding agent (Educational Funding

Agency (EFA)). Each academy spends any funds delegated from the DfE in accordance with the grant rules as defined by the DfE and the EFA.

The academy trust is also a private company, limited by guarantee and abides by the accounting policies of company law.

The Trust, and the academies in it, is also a charity and abides by the accounting practices of the Charities Commission in so far as it is required by current legislation.

The academy trust and the local Governing Bodies are required to supply all financial and other information which might reasonably be required to enable the DfE to satisfy itself as to each academy's management of its delegated budget share, or the use made by each academy of any central expenditure devolved to it by the DfE.

The DfE has the power to suspend an academy's right to a delegated budget if the provisions of the DfE or the EFA (or rules applied by the FA) have been substantially or persistently breached, or if the academy's budget share has not been managed satisfactorily.

The academy trust will notify the DfE of any matter which involves or is thought to involve any material significant financial irregularity in the use of public funds and the DfE will carry out such audit investigations as it considers necessary.

Each academy also follows the guidance provided by Ofsted in 'Keeping Your Balance'.

1. Organisation and responsibility

1.1. Governing Body

The Board of Directors for the Trust is ultimately responsible for ensuring that each academy meets all obligations placed upon it by the Secretary of State for Education and delegates this responsibility to the local full Governing Bodies (FGB) of each academy.

In order to fulfil better the obligations placed upon it, each local Governing Body is divided into a number of governor committees.

The local FGB meets at least once each term and each Finance Committee also meets at least once a term. An extraordinary meeting may be called in the Spring term to consider the budget. All meetings are recorded. Meeting papers and the agenda are supplied to the governors/committee members in advance of the meeting.

The terms of reference of the local FGB and each committee are set out in separate document.

1.2. Register of business interests

A register of the business interests of each governor is maintained by each academy and may be updated at each meeting of the FGB. A register of the business interests of each budget holder and member of staff is maintained by each academy. The register is also available for inspection by governors, staff and parents. It is the responsibility of each governor and member of staff to notify the Clerk to the Governors or academy, as appropriate, of any business interests they have which require inclusion in the register. The register will be updated at least on an annual basis. Any director, local governor or member of staff who has an interest in a business tendering for a contract will not attend the part of the governor/committee meeting when the contract is discussed. No governor or member of staff involved in awarding a contract will accept gifts or hospitality from current or potential suppliers. None of the academies obtain goods and services for the private use of governors or staff.

1.3. Director & Local Governors' interests

No director or governor will take or hold any interest in any equipment or property held or used for the academy.

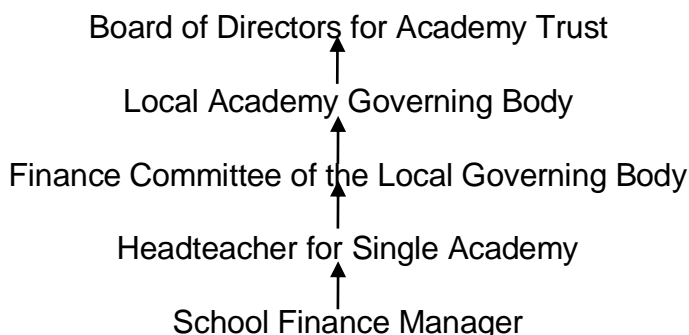
No director or governor will obtain an interest in the disposal of academy equipment or property or academy materials surplus to requirements at the end of any contract between the academy and any third party.

A director or governor who has a financial interest in the supply of work or goods to/for the purposes of the academy or any contract or proposed contract concerning the academy or any other matter relating to the academy and is present at a meeting of governors or committee at which the matter is considered, will disclose the fact at the meeting and will not take part in the consideration or vote on the matter.

1.4. Finance Responsibilities

Each Headteacher is responsible to his/her local Governing Body and ultimately the Board of Directors for ensuring that financial requirements are implemented.

Finance responsibilities are organised as follows in accordance with the Scheme of Delegation of Financial Procedures:



The Board of Directors of the Academy Trust responsibilities include:

- The overall agreement of the annual budget
- Authorisation of spend over the limit set by the Headteacher of academy

The Local Governing Body's' responsibilities include:

- Recommendations of the annual budget to the trust
- Approval of the total income and expenditure reports in accordance with the recommendations of the Finance and Personnel Committee
- The awarding of contracts in accordance with the recommendations of the Finance and Personnel Committee.

The Finance and Personnel Committee's responsibilities include the following:

- Recommendation of the annual budget to the Governing Body including the delegation of the budget responsibilities to key staff
- Regular monitoring of actual income and expenditure against each budget and revised forecast for the year
- Awarding of contracts by tender to a specified limit.

The role of the Headteacher includes responsibility for the overview of:

- Financial issues.
- The school's financial position at a strategic and operational level.
- Effective systems of financial internal control.

The role of the School Finance Manger includes responsibility for:

- The day to day management of all financial issues.
- The management of the school's financial position at an operational level
- The management of effective systems of internal control

At Bourton Meadow Academy and Spring Lane Primary School, directors have set an upper limit of £5000 for expenditure on any one item beyond which the Headteacher would be required to obtain specific prior approval from the Local Governing body or the board of directors.

At George Grenville and Lace Hill Academies and Lumbertubs Primary School, directors have set an upper limit of £2500 for expenditure on any one item beyond which the Headteacher would be required to obtain specific prior approval from the Local Governing body or the board of directors.

2. Financial planning and monitoring

2.1. Budget compilation

Each academy has an Academy Improvement Plan approved by the local FGB and directors which defines its strategy. The plan outlines the areas which are the priority for spending and the reasons. The budget is allied to this plan.

The DfE provides guidance to academies on assumptions affecting budget plans, which are likely to be the same for all academies.

By the required deadline each year, each academy submits an initial plan for expenditure and income for the following academic year to the EFA showing its assumptions underpinning the budget plan; a final updated plan is submitted in June.

If the local FGB revises its budget plan during the year, it notifies the EFA within a reasonable period of any such change.

Total planned expenditure for the financial year may not exceed the budget share, adjusted by amounts carried forward from the previous year, any additional income receivable and any in-year adjustments which may be made in accordance with direction from the DfE.

The local FGB does not approve financial commitments into subsequent financial years without satisfying itself that the costs can be met within the likely level of resources.

The local FGB may not plan for a deficit budget (including balances brought forward from previous years) without consultation with the EFA. If an unplanned deficit arises at any academy, the academy trust will notify the EFA immediately and submit a plan to the EFA showing how the academy proposes to eliminate the deficit. Any deficit incurred will be the first charge on the academy's budget share in the following financial year.

In addition to any capital allocation made available by the DfE outside each academy's delegated budget share, the local FGB is permitted to use the allocated budget share to meet the cost of capital expenditure on the academy premises.

If the expected capital expenditure from the budget share in any one year exceeds £20,000, the academy trust notifies the EFA and takes into account any advice from them as to the merits of the proposed expenditure.

The academy trust may borrow money only with the written permission of the Secretary of State for Education.

2.2. Budget setting and monitoring

The Headteacher is responsible to the relevant Finance Committee for the preparation of the annual budget. The academy trust ultimately approves it.

The budgeting process starts in the Spring term of each year when budget holders submit written bids for capitation. The headteacher decides upon major expenditure in discussion with the academy Executive Head, Finance Manager and Senior Leadership Team. The budget holders retain a detailed written record of the make-up of their bid.

Each budget holder will use their development plan to produce their required budget highlighting links as appropriate. The Headteacher co-ordinates the submissions using historical trends together with the information from individual development and academy improvement plans. Once this information has been analysed each departmental budget will be set.

Using the agreed Curriculum Plan and the departmental plans, the draft budget is drawn up by the end of April and discussed with the Headteacher and executive Headteacher.

The draft budget is presented to the Finance Committee by end May for review, discussion and amendment if appropriate. When approved by the Finance Committee, the budget is submitted to the local FGB for formal review before presentation to the academy trust and EFA.

The Finance Committee of each Local Governing Body monitors all financial aspects of the implementation of the academy's budget plan although - however the Board of Directors of the academy trust carries ultimate responsibility for monitoring the budget.

The process of monitoring actual expenditure against budget is continuous. Day to day responsibility for monitoring and control lies with each budget holder. The process is co-ordinated by the academy Finance Manager and Headteacher.

2.3. Reporting

The Finance Manager issues a half termly report to each budget holder, detailing budgeted and actual expenditure.

The Finance Manager prepares a monthly report of actual performance against budget with explanations of the main variances. This report is sent to the Headteacher and the members of the Finance and Personnel Committee.

2.4. Financial Reporting

Each academy reports to the DfE and EFA as required by the Academies Financial Handbook and the Supplementary Funding Agreement, keeping within their deadlines.

The academy trust, as a company, files annual financial reports with Companies House. The company financial year is 1 September to 31 August annually.

The academy trust as a charity files annual returns with the Charities Commission as and when required by statute.

3. Financial administration

3.1. Accounting systems

Adequate accounting and other financial records are maintained by each academy and these are subject to audit by appointed auditors and the DfE's external and internal auditors.

Each academy keeps its records in such a manner that provides an analysis of income and expenditure in any form, which may reasonably be required by the appointed auditors, DfE, EFA, Charities Commission and Companies House

Each academy's accounting system is computerised. It is each academy's policy that all staff involved with financial administration receive basic training and are familiar with the operation of the computer systems available.

The proper functioning of the accounting system is the responsibility of the academy Finance Manager.

The computer system is backed-up every night by the systems manager.

3.2. Accounting records

Only authorised staff are permitted access to the accounting records which are securely retained when not in use.

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

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

3.3. Taxation

Each academy abides by the procedures issued by DfE, EFA & HMRC in connection with VAT.

4. Audit

The Trust appoints external auditors annually. It operates within an internal audit regime determined by the DfE Academies Financial Handbook, and within the DfE external audit regime as determined by the Audit Commission. Each academy provides access to its records, for both internal and external auditors as necessary for audit purposes.

The DfE requires each academy to obtain and provide to the DfE annual audit certificates in respect of voluntary and private funds held by it and of the accounts of any trading organisations controlled by it. However, the DfE will not itself audit such funds. The auditor of non-public funds must not be connected with the administration of those funds.

5. Purchasing

5.1. DfE financial regulations

Each academy abides by the DfE's financial regulations for academies and standing orders in purchasing, tendering and contracting matters. This includes a requirement, where necessary, to assess in advance the health and safety competence of contractors, taking into account the government's policies and procedures.

The DfE's contract standing orders apply to every contract where the estimated cost is in excess of £1,000 in any one year.

The Headteacher ensures that every consultant used by the academy receives a copy of those financial regulations and standing orders with which they are required to comply.

5.2. Approved suppliers

The academy Finance Manager and academy Headteacher select suppliers on the basis of their capacity to provide quality, service, timely delivery and value for money.

5.3. Tendering

All purchases with a value greater than **£25,000** are put out to formal tender. The following procedures are followed in such circumstances:

- i. Specification is prepared by the budget holder, authorised by the Chair of the relevant committee and Headteacher and sent to at least three suppliers. Depending on the type of building works proposed the services of a firm of architects would be considered to deal with the handling of specifications and suitability to tender.
- ii. Where appropriate, the suppliers invited to tender are drawn from the approved list maintained by the LA. Otherwise, invitations to submit tenders are advertised in local newspapers and trade journals if appropriate. The invitations to tender include:

- An introduction/ background to the project;
 - The scope and objectives of the project;
 - Any technical requirements;
 - Implementation details for the project;
 - The terms and conditions of the tender; and
 - The form and date of response to the academy.
- iii. All replies should be addressed to the Headteacher in a plain sealed envelope marked 'Tender' to reach him by a specified date.
- iv. No contractor is allowed to amend the tender after the time fixed for receipt.
- v. Where the expenditure has been budgeted for within the revenue or capital budgets, a decision is recommended by the Finance Committee. The final decision is taken by the local FGB.
- vi. Where expenditure is not included in the budget or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept is taken by the local FGB and/or Board of Directors.
- vii. The reasons for accepting a particular tender are documented by the Clerk to the Governors, especially if it is decided to accept other than the lowest tender.

The following points are considered when deciding which tender to accept:

- The overall price and the individual items or services which make up that price.
- Whether there are any 'hidden' costs, that is additional costs which the academy will have to incur to obtain a satisfactory product.
- Whether there is scope for negotiation.
- The qualifications and experience of the supplier.
- How well the technical requirements laid down by the academy will be met.
- Whether it is possible to obtain certificates of quantity.
- The supplier's own quality control procedure; pre sales demonstrations and after sales service.
- The financial status of the supplier.
- References from other academies and schools.

Once a tender is accepted an order is issued immediately to the supplier in the normal way.

5.4. Quotations

For purchases exceeding certain values, and below the tendering limit of **£25,000**, a specified number of quotations are required as follows:

Bourton Meadow/Spring Lane;

Up to £5,000: Budget holders are expected to purchase objectively using catalogue prices and written quotations;
£5,000 - £15,000: At least three written quotations;

George Grenville/Lace Hill/Lumbertubs:

Up to £2,500: Budget holders are expected to purchase objectively using catalogue prices and written quotations;
£2,500 - £15,000: At least three written quotations;

Quotations are attached to the requisition order.

For all quotes, a statement will be included with the requisition order explaining why that particular quote was accepted.

Where purchases are part of an already approved contract 3 quotes are not required.

In the event that, for whatever reason, three quotes are not available, the decision must have board approval. A statement will be included saying why three quotes were not obtainable and this will be attached to the requisition order. It will be minuted by directors and will be regarded as a deviation from normal financial procedures.

All contracts will be reviewed every three years.

5.5. Purchase orders

Computer generated orders are used for all goods and services. Orders are only made by telephone in exceptional circumstances. Where goods are required urgently and an order is placed by telephone the order is always confirmed in writing in the usual way. Access to the computer system is restricted to the Headteacher and Finance Manager. Commitment accounting is in operation on the computer system.

Orders are only used for goods and services provided to the school. Individuals may not use official orders to obtain goods and services for their private use.

Ordering procedures are as follows:

- i. A requisition is completed by the budget holder and sent to the finance office. The computer checks the order against available budget. Potential or actual overspend is brought to the attention of the School Finance Manager. Quotes or tenders are obtained as necessary.
- ii. An order is generated by the computer and allocated a sequential number as it is produced.

- iii. The order is approved by the SLT prior to despatch and this approval is evidenced on the office copy of the order.
- iv. Following approval, the Finance Manager/Assistant distributes each copy of the order:
 - Original copy to supplier.
 - Copy held in finance office.

When an order is cancelled reasons for cancellation are recorded on the computer log.

The computer system keeps a record of all orders placed that have not been invoiced.

5.6. Receipt of goods

All goods received are delivered to the school reception where practicable. The receptionist carries out a brief inspection prior to signing for delivery. All deliveries are signed as unchecked.

The following procedures then take place:

- The delivery note/invoice and goods are sent to the budget holder for formal checking against the order.
- The budget holder evidences the check of goods received on the delivery note/invoice.
- The delivery note is then sent to the finance office.
- Any shortages or defective items in the goods supplied are clearly indicated on the delivery note by the budget holder. The budget holder is responsible for ensuring the delivery is rectified. The Finance Manager/Assistant maintains a goods returned file to monitor this process and ensure that all such deliveries are rectified.

5.7. Purchase invoices

All purchase invoices are handed immediately to the Finance Manager/Assistant who checks the invoice against the original order and the delivery note (where applicable).

Where goods received were short or defective in some respect, and this still has not been rectified, this is clearly noted on the invoice so that payment is not made until either a credit note is received or the delivery is put right.

5.7. Payment of invoices

The Finance Manager/Assistant processes the invoices for payment. It is the policy of each academy to pay all invoices by the due date and also to take advantage of any discounts available for early settlement where this is to the school's advantage. Payments in advance of receipt of goods or services are only made where it is a condition of the supplier and the Finance Manager is satisfied that there is no alternative.

Payment is made when the following checks have been made by the Finance Manager/Assistant

- Goods or services have been received and checked to the order.
- Expenditure has been properly incurred and payment has not already been made.
- Prices agree with quotations, tenders, contracts or catalogue prices and arithmetic is correct.
- VAT has been properly accounted for.
- The invoice has been correctly coded.
- Discounts have been taken where applicable.

The Headteacher authorises payment of invoices, having ensured that all of the school's procedures have been followed.

- The Finance Manager creates a BACS run.
- The BACS run is authorised by two out of the three authorised signatories.

5.8. Month-end procedures

At the end of each month the Finance Manager reconciles the bank statements and reconciles the school's own systems with the academy PS Financials system.

Individual supplier balances are reconciled to supplier statements on a monthly basis.

5.9. Petty cash

Petty cash is recorded on the computer by the Finance Manager/Assistant from the petty cash claims. The Finance Manager is responsible for the payment of cash expense claims and is responsible for the reconciliation of the float.

Procedures relating to petty cash are as follows:

- Cheques drawn for payment are signed by the Headteacher and Finance Manager. Supporting documentation for the value of the cheque is produced to cheque signatory.

- Payments from petty cash are only made on production of a till receipt or other certification that payment has been made.
- The petty cash float, which does not exceed £200 at Bourton Meadow Academy or Spring Lane Primary and does not exceed £100 at George Grenville Academy, Lace Hill Academy or Lumbertubs Primary, is kept in the safe when not in use.
- The petty cash float is reconciled on a monthly basis by the Finance Manager/Assistant.
- No personal cheques are cashed through petty cash.
 - The petty cash float is only reimbursed by a cheque from the school's account.

5.10. Purchasing Cards

Debit cards are available to finance staff to reduce the instances of personal credit card usage whilst maintaining the smooth purchasing of supplies for the academy via e-commerce. Debit cards are to be stored in the academy safe and should not routinely be taken from the school admin office without the permission of the Head Teacher.

Purchase via Debit cards (Lloyds) is restricted to:

- online suppliers where cards must be used – eg Amazon
- online travel companies - e.g. Easyjet, RyanAir
- suppliers who only accept card payments, eg conference and event bookings, school trip costs
- online/telephone purchases where standard ordering procedures are not available
- purchases of food/drink for school functions where alternative payment methods may impact on immediate requirements

A purchase requisition will be completed as per the main purchases system (or an email detailing what supply / payment is required) and authorised by the HoD. All purchases by debit card must be recorded in a monthly transaction log for each card. Receipts for all card expenditure must be attached to the log and the log then attached to the requisite bank statement.

The Finance Assistant reconciles the monthly transaction logs to the debit card statement and signs and dates. Any missing receipts are requested. In the unlikely event of a receipt being unavailable the transaction would be reported by the Finance Assistant to the Head Teacher. The SLT sign the monthly reconciliation.

6. Payroll

6.1. All appointments, terminations and salary levels are formally approved by the FGB.

Buckinghamshire County Council (BCC) Human Resources Services (HR), for the Bucks schools and EPM for the Northamptonshire schools, provide Payroll Services, crediting salaries to employees in accordance with their employment contracts and only accepts instructions from the authorised signatories. Neither provider will accept changes authorised by a person amending his/her own salary. Changes to the Head Teacher's salary will only be accepted when authorised by the Chair of Governors.

Net payments to staff are made by direct debit using the Banks Automated Clearing System (BACS).

Overtime and expenses claims are completed at the end of each month and paid with the following month's salary. Overtime claims and expense claims are authorised by the Head Teacher

All personnel files are kept in each academy office. Access is restricted to the Head Teacher, academy Finance Manager, Head Teacher's PA and appropriate Governors.

6.2. Monthly procedures

The following procedures take place on a monthly basis and are performed by the Finance Manager/ Office Manager unless otherwise indicated:

- New starters are notified to the payroll provider via paper entry, countersigned by the Head Teacher.
- Leavers and amendments to contracts are administered via the payroll providers E-Forms, the entry then printed and signed by the Head Teacher and staff member.
- Overtime and supply claims are administered via the payroll providers E-Forms system. All overtime must be approved by the Head Teacher before it is taken. The Head Teacher counter-signs claims and the Head Teacher's PA then approves them (on their behalf) via the E-Forms system.
- Travel expenses forms are completed by the applicant, checked by Finance Assistant approved by the Head Teacher and forwarded to the payroll provider for payment via the payroll system.
- Absence returns are entered on the E-Forms system by the Admin Assistant (Cover) on a monthly basis.
- Each payroll provider provides HR reports each month indicating staff contracts, salaries and costs to the academy of pension and NI on-costs. Any corrections required are undertaken the following month unless of serious impact to the staff member concerned.

- The HR Monthly Salary print out is checked as soon as it arrives and HR is notified of any errors immediately after they have been detected and this is checked against the end of month salary print out. The SLT prints and signs both reports after checking. The report spreadsheets are stored electronically under the Finance Manager's access privileges, with hard copies of the signed reports kept within the 'annual audit file'. In the months when finance staff are unavailable, any errors picked up by either report will be corrected immediately when staff are available.

7. Assets

7.1. Asset register (Stock Inventory System)

Tangible fixed assets acquired since each Academy was established are included in the accounts at cost.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected economic life. The relevant grants are credited to a restricted fixed asset fund (in the statement of financial activity and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activity over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Individual assets costing less than £1000 are written off in the year of acquisition. All other assets are capitalised.

7.2. Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Asset Group	Depreciation Method
Equipment	20% straight line
Computer Equipment	33.3% straight line
Long lease property	2% straight line
Plant and Machinery	6.66%/25% Straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

7.3. Asset Register

Maintenance of the asset register is overseen by the Head Teacher. It is the policy of each academy to enter individual acquisitions with a cost greater than £1000 onto the asset register, although items of a lower value, such as electronic equipment, may sometimes be included. The relevant budget holders are responsible for ensuring that all assets are marked as belonging to the academy.

At the beginning of the spring term the budget holders are required to perform an asset check. Each budget holder is required to check the existence, condition and adequacy of security marking for the assets under their control and report any differences. Discrepancies are followed up with the budget holder by the academy Business Manager. Any losses above £1000 are reported to the FGB.

All staff laptops are brought into the academy at the end of the summer term as part of the annual asset review.

All recorded assets removed from the academy site are recorded in a register held in the academy reception.

Sports equipment taken off-site is the responsibility of Head PE/Sports.

7.4. Insurance

Insurance is reviewed and arranged annually with appropriate suppliers using processes authorised by EFA.

With effect from 1 September 2018, the academy policies have been arranged with Zurich Municipal

Zurich Municipal is notified of all new risks, property and equipment which require insurance or any other alteration affecting existing insurance on a timely basis.

The academy immediately informs the insurance company of all accidents, losses and other incidents, which may give, rise to an insurance claim. Claims under the insurance policy are authorised by the Headteacher or academy Executive Headteacher prior to submission.

7.5. Disposal of assets

All disposals of assets are authorised by the relevant budget holder, Head Teacher or FGB. The Business Manager will submit a report to governors stating the reason for and a recommended method of disposal in accordance with socially, environmentally and economic methods. The FGB minutes their approval of all disposals. The academy Business Manager is responsible for notifying the DfE where this is necessary.

The following disposal procedures apply:

- a. Items originally costing £1000 or less are written off in the year of purchase and may be scrapped.
- b. Items originally costing between £1000 and £2000 may be sold or scrapped, depending upon residual value and condition.
- c. Items originally costing more than £2000 are to be sold.

7.6. Losses

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

Each academy Finance Manager maintains a record of losses and insurance monies received. The FGB is informed of all losses and the insurance company is notified as appropriate.

7.7. Leasing

The Finance and Personnel Committee is responsible for approving all leasing and hiring arrangements. These are reported to the Local Governing Body.

7.8. Director / Governors' expenses

Under the FA, only allowances in respect of purposes specified in regulations may be paid to governors from the academy's delegated budget share. The payment of any other allowances is prohibited. At BMET, no governors claim any expenses other than travel, in support of their governor duties.

8. Income

The local FGB has overall responsibility for ensuring that all income due to the academy is properly accounted for.

Every transfer of money from one member of staff to another is evidenced by the signature of the receiving employee.

8.1. Public Income

Each academy Finance Manager is responsible for checking as far as possible the accuracy of the allocation of funding from the EFA and Local Authority as appropriate.

8.2. Non-Grant Income

Receipts are given for all amounts of non-grant income.

8.3. Letting of School Facilities

Each academy may retain all the income from lettings of the academy premises, subject to any alternative provisions arising from any joint-use agreement. Each academy is permitted to cross-subsidise lettings for community and voluntary use with income from other lettings, provided there is no net cost to the academy's budget share.

All lettings of academy equipment and facilities must be in accordance with the academy's Letting's Policy and the charging rates currently in force as prepared and approved by the Finance Committee and formally approved by the FGB.

Each academy considers all enquiries and the level of costs involved before granting a booking. Letting rates are subject to review by the Finance Committee.

All hiring of academy equipment and facilities is recorded in a lettings calendar held within each academy's IT system; only the academy Office Manager may edit the calendar.

When a letting is provisionally booked the Office Manager completes a booking form and forwards an agreement to the hirer. The hirer signs the agreement to accept the academy terms and condition for hire.

Lettings invoices are computer generated by the Finance Manager after the letting has taken place. The Finance Manager records receipts on the computer. Both the invoicing and receipt of payment are recorded on the booking form. The lettings calendar and booking forms are subject to review by the academy Office Manager to ensure that all lettings have been invoiced.

All monies are banked by the Finance manager

8.4. Fund raising events

Each academy may retain all income from its fund-raising activities.

It is the responsibility of the event organiser to control income prior to the monies being handed to the finance office. Monies are paid direct to the finance office.

All income is banked by the Finance Assistant Manager.

8.5. School trips

Each academy has elected to purchase the 'school trip' service offered by BCC. When planning any activity away from the academy site, the consent of the Headteacher and Assistant Headteacher in charge of trips must be obtained before any commitment is made to pupils, parents or third parties. A financial plan must be provided to the Finance Manager which takes into account all perceived expenditure and income. Overnight trips or trips of a hazardous nature must be authorised by the FGB and BCC in accordance with BCC procedures.

All monies received for trips are to be paid to the finance office. The Finance Manager is responsible for keeping adequate records of income and expenditure. All income is banked by the Finance Manager.

All expenditure in connection with trips is subject to the same procedures as other expenditure.

8.6. Fees and charges

Each academy may retain income from fees and charges where applicable and in accordance with the supplementary Funding Agreement.

8.7. Debts

Each academy will recover monies owed in accordance with the academy policy on debt recovery and the FA. Bad debts are only written off when the academy has followed all possible procedures to ensure their recovery.

8.8. Financial support

In keeping with its charity status, governors have access to various funds to assist parents and pupils with the costs of trips, excursions or costs of education at the academy.

In cases of financial hardship, parents should contact the Headteacher directly and in confidence

9. Banking and cash holdings

9.1. Bank facilities

The trust is funded by public funds delegated to it by the EFA (on behalf of DfE) and the LA on a monthly basis.

The trust's and all its academies' public fund accounts are held at Lloyds, Milton Keynes branch.

Trust non- public fund accounts are held at Lloyds, Milton Keynes branch.

Public and non-public funds are separately accounted for.

9.2. The public funds account does not pay for:

- Any items relating to non-public funds.
- Any non-public activities.

The academy only receives money from:

- The EFA and LA.
- Contributions towards academy expenditure by private funds or charities.
- Any other permissible sources (as defined by the FA) ie Lettings and charges.

All BACS and cheque payments from the public or non-public fund bank accounts require two authorised BACS approvals or cheque signatories. The academy Business Manager maintains approved lists of BACS authorisers and cheque signatories, as per Annex A. All cheque books and other stationery are kept in a locked safe. All bank statements are filed sequentially.

9.3. Bank reconciliations

The bank accounts held by each academy are reconciled on a monthly basis by the Finance Manager. The Headteacher will review on a monthly basis.

The Finance Assistants are not cheque signatories or e-banking authorities on either the public or non-public funds bank accounts.

9.4. Cash banking

Cash and cheques are locked in a secure place prior to banking to safeguard against loss or theft. All cash and cheques for both sets of accounts are banked in full (gross) by the

Finance Assistant or academy Finance Manager and recorded on paying-in slips. Bank paying-in slips show the split of cash and cheques. Cheques and cash are identifiable by reference to the receipt numbers where relevant and names of the drawers

9.5. Investments

Investments are only made in accounts of a bank approved by the Finance Committee and in accordance with the FA, which are clearly shown to provide no risk to the capital sum.