Alexandra Academy Trust

Manual of Internal Financial Procedures

Date policy last reviewed: Spring 2025
Date policy due for review: Spring 2026

Signed by:

____________________ CEO Date ____________________

____________________ Chair of Audit,Risk, Finance and Resources Committee Date ____________________

Appendix 1. Scheme of Delegation

Appendix 2. Budget Annual Cycle

1. Introduction

The purpose of this document is to ensure that Alexandra Academy Trust maintains and develops systems of financial control, which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Academy Trust's Funding Agreements with the Department of Education for Academies.
The Academy Trust must comply with the principles of financial control outlined in the Academies Financial Handbook published by the DfE and updated annually in September.
This document expands on that guidance and forms the manual detailing information on the Academy Trust's accounting procedures and systems. It should be read by all staff involved with financial systems and accountability.

2. Principles

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

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

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

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

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

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

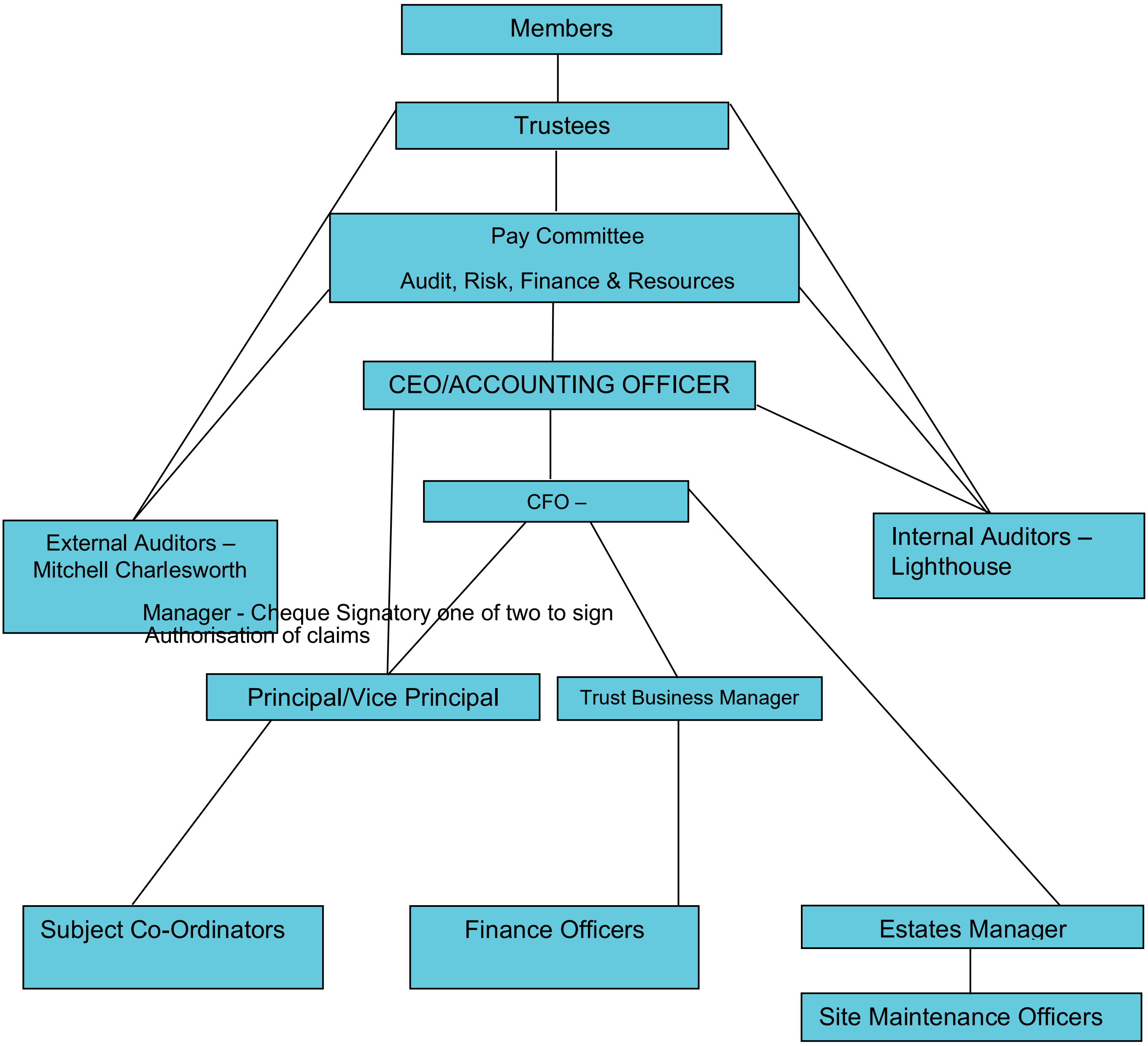
Honesty
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.

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

3. Organisation and Responsibilities.

The Academy has defined the responsibilities of each person involved in the administration of the Academy's finances to avoid the duplication or omission of functions and provide a framework of accountability for Members/Trustees and staff.

3.1 Reporting Structure:



3.2 Trustees

The Board of Trustees has overall responsibility for administration of the Academy Trust's finances. The main financial responsibilities of the Trustees are described in the Funding Agreement between the Academy Trust and the DfE.

The main responsibilities include:

- To ensure that grant funding from the DfE and other Restricted funding is used for the purposes intended

- To approve the annual budget and any material changes
- To ensure a Scheme of Delegation is in place
- To ensure assets are managed
- To ensure accurate accounting records are maintained
- To ensure the budget monitoring statements are a true and accurate record on income and expenditure
- To approve the Annual Statutory Accounts

3.3 Audit, Risk, Finance & Resources Committee and Pay Committee

The main financial responsibilities of the Audit, Risk, Finance & Resources Committee are detailed in their Terms of Reference, these include:

- Initial review and recommendation to the Trust Board of the Academy annual budget;
- Regular monitoring of actual expenditure and income against budget;
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- Authorising the award of contracts up to the amount stated in the Scheme of Delegation (Appendix 1)

The main financial responsibilities of the Audit, Risk, Finance & Resources Committee are detailed in their Terms of Reference, these include:

- Reviewing the reports of the Internal Auditor on the effectiveness of the financial procedures and controls. These reports must also be reported to the Board of Trustees
- Reviewing the financial policies of the Trust and where necessary making recommendations to the Board of Trustees
- Termly review of the Risk Register and Risk Policy

3.4 CEO/Accounting Officer

The CEO has overall executive responsibility for the Academies within the Trust. The CEO retains responsibilities for:

- Approving new staff appointments within the authorised establishment.
- Authorising contracts up to the amount stated in the Scheme of Delegation (Appendix 1), reporting these decisions to the Audit, Risk, Finance & Resources Committee.
- Signing cheques as detailed in the Scheme of Delegation.

- Credit Card Holder
- On-Line Banking & BACS Authorisation

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 Leadership & Management; 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 Chair is contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Board of Members/Trustees details sent to the Permanent Secretary and the Academy’s external auditors.

The Accounting Officer may delegate, or appoint the Principal to assist in these responsibilities

3.5 Principal (Individual Academy)

- Authorising contracts up to the amount stated in the Scheme of Delegation (Appendix 1)
- Signing cheques as detailed in the Scheme of Delegation.
- Authorising orders and invoices as per the Scheme of Delegation
- Credit Card Holder
- Prudent and economic administration
- Avoidance of waste and extravagance
- Efficient and effective use of available Leadership & Management; and
- The day-to-day organisation, staffing and management of the individual Academies

3.6 CFO (Trust)

The CFO works in close collaboration with the CEO/Accounting Officer through whom he or she is responsible to the Trustees. The main responsibilities of the CFO are:

- The management of Academy Trust’s financial position at strategic and operational level;

- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Academies;
- The maintenance of effective systems of internal control;
- Signing cheques as detailed in the Scheme of Delegation.
- Credit Card Holder
- On-Line Banking & BACS Authorisation

3.7 Business Manager (Trust)

The Business Manager works in close collaboration with the CFO. The main responsibilities of the Trust Business Manager are:

- The day-to-day management of financial issues including the establishment and operation of suitable accounting systems;
- Day to day running of the bank account
- The maintenance of effective systems of internal control;
- Preparation of monthly management accounts
- Ensuring forms and returns are sent to the DfE in line with their reporting deadlines.
- Signing cheques / authorising BACs in accordance with the Bank Mandates
- Liaison with payroll, preparation of staff claims and reconciliation of payroll data from the Academy Trust's payroll service provider.
- Management of the Academy Trust's Service Level Agreements
- Authorising orders and the award of contracts up to the amount stated in the Scheme of Delegation (Appendix 1)
- Signing cheques as detailed in the Scheme of Delegation.
- Credit Card Holder
- On-Line Banking & BACS Authorisation

3.8 Internal Auditor

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

The Internal Auditor is appointed by the Board of Trustees and is intended to provide an independent oversight of the Academy Trust's financial affairs. The main duties of the Internal Auditor are to provide the within on-going Trustees independent assurance that:

- The financial responsibilities of the Board of Trustees are being properly discharged;
- Leadership & Management 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.

The Board of Trustees appointed Light House in September 2020 to act as an external body to independently undertake the duties of the Internal Auditor. The auditors will carry out termly assurance reviews in order to provide the Trustees and indirectly the Department for Education with the required assurance. The Internal Auditor will undertake the checks and balances in line with the recommendations made in the Academies Financial Handbook.

General areas for review will cover the following:

- Review that bank reconciliations have been carried out each month
- Review of monthly payroll to ensure that any changes have been appropriately authorised and agreed (refer to Audit, Risk, Finance and Resources Committee and SLT minutes)
- Check sample 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 to confirm they are bona fide purchases.
- 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 Department for Education to ensure the information supplied is consistent with the underlying records and internal management reports.
- Review all major contracts and ensure formal tender procedures exist and are being followed.

Light House will produce a full report after each Termly Assurance Review which will be reported to the Audit Committee. These will be reported back to the Board of Trustees via Governor Hub.

3.9 Finance Officers

The Finance Officers work in close collaboration with and are directly responsible to the Trust Business Manager. The main responsibilities include:

- Day to day running of the bank account
- Day to day management of the online payment systems including credits received direct from parents/carers in relation to childcare vouchers

- Weekly banking
- Order and invoice processing

3.10 Vice Principal

The Vice Principal will assume the financial responsibilities if the Principal is absent.

3.11 Other Staff

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

3.12 Register of Business Interests

It is vital that Trustees and staff act, and are seen to act, impartially. All Members/Trustees are therefore required to complete a declaration of business interests. The CEO, as member of the Board is also required to complete the declaration.

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

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

It is the role of the Clerk to Board of Trustees to ensure the Register of Business Interests are up to date.

4. Financial Planning

Both medium and short-term financial plans form part of the School Development Plan and are discussed and reviewed on a termly basis.
The School Development Plan identifies the development plan priorities over the medium term and the expected level of resources available. 5 yearly budget forecasts are prepared by the CFO/Trust Business Manager and discussed/reviewed by the Audit, Risk, Finance and Resources Committee termly.

5. Budget Management

All bank accounts will be reconciled monthly by the Trust Business Manager/CFO. Monthly Management reports including consolidated balance sheet income & expenditure reports, cash flow and budgets v actual reports will be circulated to all Trustees via Governor Hub.

Termly budget monitoring reports will be prepared for the Audit, Risk, Finance and Resources Committee, the Local Governors Boards and the Board of Trustees. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration at the Audit, Risk, Finance and Resources Committee.

The Principal may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the Academy as a whole. Delegated budget holders will be provided with sufficient information to enable them to perform adequate monitoring and control. Such budget holders are accountable to the Principal who is responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed. Any potential overspends against the budget must in the first instance be discussed with the CFO/Trust Business Manager. The accounting system will not permit payments to be made against an overspend budget without the approval of the CFO/Trust Business Manager.

The School Development Plan (SDP) for each Academy provides the framework for the annual budget. The Annual budget is a detailed statement of the expected resources available to the Academy and the planned use of those resources during the year

6. Setting the Annual Budget

The budget process follows an annual planning cycle which is contained in Appendix 2.

The CFO/Trust Business Manager, in liaison with the CEO/Principal is responsible for the preparing and obtaining approval for the Academy annual budget from the Audit,Risk , Finance and Resources Committee. The Board of Trustees must approve the budget each year.

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

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

The budget planning process will incorporate the following elements:

- Forecasts of likely pupil numbers to estimate the amount of grant receivable
- Review of other income sources
- Review of past performance against budgets
- Identification of potential efficiency and budget containment actions
- Annual review of expenditure headings to reflect known changes and expected variations in costs e.g. pay increases, inflation or other anticipated changes.

The draft budget should be presented to the Audit, Risk, Finance & Resources Committee and full Board of Trustees together with a supporting report for approval. Once the budget is agreed this should be communicated to all responsible budget holders to ensure they are aware of the overall budgetary constraints.

The budget should be seen as a working document which may need revising throughout the year as circumstances change; any revision should be reported to the Audit, Risk, Finance and Resources Committee through the CFO’s Report to Trustees.
Any substantial changes must be approved in accordance with the Scheme of Delegation

(Appendix 1).
The Audit, Risk, Finance & Resources 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 Original Budget must be set in the Access Budgeting/Accounting systems and up-to-date changes monitored against a Master budget which 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

7.1 Financial Accounting System

The Academy uses Access Accounting System and all financial transactions must be recorded using this System**.** Access rights within Access are defined for each user with a unique ID and password. Users are detailed in the Scheme of Delegation (Appendix 1).

- All financial transactions relating to the Academy's budget must be recorded using Access. There must be a clear audit trail for all financial transactions from the original documentation to accounting records. Finance records must be stored for 7 years in accordance with the Companies Act. From, Autumn 2021 the vast majority of invoices and orders will be stored electronically within the accounting system (Access).

- Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use.

- Authorisation and supervisory controls should be adequate to ensure transactions are properly recorded or that errors are identified.

- All records should be protected against unauthorised modifications, destruction, disclosure or loss whether by accident or intention.

- The finance system must be protected by robust back up procedures. The system is cloud based.

7.2 Transaction Processing

- Orders on requisitions or email and authorised in accordance with the Scheme of Delegation (Appendix 1) will be raised by the Finance Officers/Trust Business manager

- Invoices will be processed ready for payment by the Finance Officers/Trust Business Manager

- The Trust Business Manager will enter income received from DfE into Access via Journal Transfer at the earliest opportunity

- BACS or Manual Payments should be raised by the Trust Business Manager/ Finance Officer and countersigned in accordance with the Bank Mandate as per Scheme of Delegation (Appendix 1)

- The Trust Business Manager will obtain and review system reports to ensure only regular transactions are posted to the accounting system.

7.3 Accounting for 'Other' Income using the online payment system

Each Academy uses an online payment system to deal with the collection of 'other income'. This is a cashless online system which allows parents/carers to pay for items such as dinner monies, school trips and afterschool clubs places online. This system is set up for access by all Office staff; each user is defined with a unique ID and password. Users are detailed in the Scheme of Delegation (Appendix 1).

- The Finance Officers are responsible for the day to day management of the online payment system within each academy.
- The Finance Officers produce reports for data input into Access
- The CFO/Trust Business Manager is responsible for overseeing this system and receiving information from the Finance Officers

8. Payroll

The main elements of the payroll system are:

- Staff Appointments
- Payroll administration
- Payments and monitoring

8.1 Staff Appointments:

The Board of Trustees approves a personnel establishment for each Academy which is known as the Staffing Structure and forms part of the Pay Policy. Material changes to the Staffing Structure of the Academy may only be approved by the full Board of Trustees who must ensure that adequate budgetary provision exists for any established changes and after the required period of consultation with unions and staff.

The CEO in liaison with the Principal has the authority to appoint staff within the authorised staffing structure. Principal's should seek CEO approval before advertising vacant positions. The Trust HR Officer will maintain personnel files for all members of staff in each academy, which include contracts of employment. Alexandra Academy Trust is committed to safeguarding children and young people. All post holders are subject to appropriate vetting procedures and a satisfactory Enhanced Disclosure and Barring Service check, which includes the Disqualification by Association declaration. The Academy Trust follows the safer recruitment guidance on the Cheshire East HR website.

http://centranet.ourcheshire.cccusers.com:81/schools/SchoolsHR/Pages/Safer-recruitment-and-DBS-checks-Schools-and-Academies.aspx

8.2 Payroll Administration

The Academy Trust's payroll is outsourced to Educational Personnel Management (EPM) All payroll transactions relating to Academy staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made to staff or visiting lecturers through any other mechanism.

All new appointments, leavers, changes to contracts or personal details are be by notified to EPM via the secure portal. Amendments to contracts are input to the portal by the Trust HR Officer and countersigned by the CFO/Trust Business Manager & relevant Principal. Where it is necessary to use a paper form, this is raised by the CFO/Trust Business Manager and signed by the Principal before being sent to payroll.
In the case of changes to the Principal's salary, forms should be signed by the Chair of Trustees as per the Scheme of Delegation (Appendix 1).

All personnel files shall be stored in a lockable cabinet. Only the Principal, CFO/Trust Business Manager and HR Officer will have access to staff files but individuals can request to see their own files in line with data protection policies.

The Trust HR Officer is responsible for keeping the staff personnel database up-to-date via Arbor Personnel recording system.

Absence records are maintained by the Trust HR Officer. Unpaid leave is notified to payroll using the online pay form.

Staff claims for overtime must be checked by the Trust Business Manager and relevant Principal. Claims for overtime / variance of grade of duties, casual claims and supply claims will be entered on to the online pay form by the HR Officer/Finance Officer on a monthly basis. It will be countersigned by the Principal/Trust Business Manager at the end of each month.

8.3 Payments and Monitoring

All salary payments are made by BACS.

EPM provide payroll reports prior to salary payments being dispatched detailing costs and individual's payment details. The CFO/Trust Business Manager is able to access these reports online via the secure portal. The CFO/Trust Business Manager will undertake a sensibility check monthly to ensure the data does not contain major errors prior to salaries being paid.
The Trust Business Manager will undertake a reconciliation of all claims for additional hours / unpaid leave and investigate any differences between the previous month's gross salary against the current months.
The payroll system automatically calculates the deductions due from salaries to comply with current legislation.
EPM are authorised to make BACS payments from the Academy Trust's Bank Account by direct payment for the amounts of the deductions to the following agencies: Local Government Pension Scheme, Teachers Pensions, Unison & GMB by the 5th of the month following the pay run and to HMRC by the 19^{th} of the month following the pay run.

The Trust Business Manager will enter the payroll data into Access via Journal Transfer at the earliest opportunity.

The payroll is checked back against the finance system periodically throughout the year to check accuracy with both budget forecasting and salary details.

9. Value for Money (VFM) Procedures

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

9.1 Orders of £5,000 and below

Best value is applied at the discretion of the budget holder/CFO/Trust Business Manager or Principal as appropriate. Consideration to be given to alternative suppliers and evidence attached to requisition if quotes have been sought.

9.2 Orders over £5,000 but less than £ £15,000

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

9.3 Orders over £15,000 but less than £25,000

At least 3 written quotations should be obtained for all orders to identify the best sources of goods/ services except: a) where the service is being provided by a contractor to maintain or extend systems they have previously installed or are under contract to maintain. b) have provided quotes and tenders for a similar service within the past 12 months where they were the selected supplier or c) where emergency repairs/actions are required to ensure day to day functioning of the academy. Written details of quotations should be attached to the requisition for audit purposes.

9.4 Orders over £25,000 but less than £50,000 – referred to Audit, Risk, F&R Committee

At least 3 written quotations should be obtained for all orders to identify the best sources of goods/ services except: a) where the service is being provided by a contractor to maintain or extend systems they have previously installed or are under contract to maintain. b) have provided quotes and tenders for a similar service within the past 12 months where they were the selected supplier. Written details of quotations should be attached to the requisition for audit purposes.

9.5 Orders over £50,000 – referred to FDB

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.

10. Forms of Tender

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

10.1 Open Tender:

This is where potential suppliers are invited to tender. The budget holder must discuss and agree with the Principal/CFO/Trust Business Manager how best to advertise for suppliers. This is the preferred method of tendering, as it is most conductive to competition and the propriety of public funds.

10.2 Restricted Tenders:

This is where suppliers are specifically invited to tender and are appropriate where:

- There is a need to maintain a balance between the contract value and administrative costs,

- A large number of suppliers would come forward or because the nature of the goods is such that only specific suppliers can be expected to supply the academy requirements,

- The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

10.3 Negotiated Tender:

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

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

10.3 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 ward marks to suppliers on fulfilment of these requirements to help reach an overall decision.

10.5 Invitation to Tender

An invitation to tender should include the following:

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

10.6 Aspects to consider

Financial

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

- Hidden costs – care should be taken to ensure tender price is the total price.

- Is there scope for negotiation?

Technical

- Qualifications of contractor

- Experience

- Descriptions of technical and service facilities

- Compliance to CDM (Construction Design & Management Regulations)

- Certificates

- Quality control procedures

- Details of previous sales and references

Other considerations

- Pre sales demonstrations

- After sales service

- Financial status of supplier

10.7 Tender Acceptance Procedures

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

- Date stamped and marked with the time of receipt

- Store, unopened, in a secure place prior to tender opening

- Tenders received after the deadline should not normally be accepted

10.8 Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. Two persons should be present at the opening of the tenders this would normally be the CFO/Trust Business Manager and the Principal, in some circumstances this could be delegated to an agent who has been employed by the Academy to undertake the tendering process i.e. a firm of architects:

10.9 Tender Evaluation Procedures

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

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

Full records should be kept of all criteria used for evaluation and for contracts over £25,000; a report should be prepared to the Audit, Risk, Finance and Resources 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.

11. Purchasing

The Academy will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable. The Principal is responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services by following the general principles of:

- **Probity** – an approach to all interested parties in the disclosure of information that lends itself to necessary scrutiny.

- **Accountability** – the process whereby individuals are responsible for their actions and decisions.

- **Fairness** – that all those dealt with by the Academy are dealt with on a fair and equitable basis.

The CFO/Trust Business Manager will ensure that there is a clear separation of duties within the finance team, which would, if combined, enable one individual transaction to record a complete transaction.

11.1 Orders for Goods and services

Budget Holders should raise an order for goods or services using either a requisition form (Appendix 3) available from the academy office or via email to the finance team.

Where the value of an order is over £5,000, the requisition must be accompanied by evidence of appropriate number of quotes /or proof that VFM exercise has taken place, as per section 9. Orders will be authorised only if the VFM documentation is present and correct. Advice about suppliers or obtaining best value is available from the Trust Business Manager.

- Upon receipt of a requisition form or an email from the budget holder, the requisition will be entered on to the finance system to create an official order. Appropriate levels of authorisation are built into the system which allows orders to be raised up to the appropriate limit as set out in the Scheme of Delegation (Appendix 1).

- Official orders are automatically emailed to the supplier by the finance system

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

- Requisition forms will be attached the order within the online finance system.

11.2 Delivery of Goods and Services

- On receipt of goods a member of staff will check the goods received matched to the delivery note and sign the note to confirm this.

- The Finance Officer will check the delivery note against the original order to ensure the correct goods have been dispatched and then attach the delivery note to the original requisition form in the file

- Any discrepancies will be investigated

- Goods will be dispatched to the budget holder

- The budget holder must ensure that the goods received are of acceptable quality, any goods that are rejected must be notified to the Finance Officer within 2 days of delivery.

12 Delivery of Goods and Services

12.1 Processing of Invoices

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

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

- The invoice is arithmetically correct

- Prices are correct

- VAT has been treated correctly

No photocopied or faxed invoices will be paid but invoices sent electronically by email are acceptable.

At least two people must be involved in the process of agreeing invoices and authorising payment. The Finance Officer/Trust Business Manager will do the above checks and enter the invoices on to Access as soon as possible. The Finance Officer/CFO/Trust Business Manager/Principal will authorise the payment of the invoice within Access to make it available for payment within the Accounting System. All invoices are to be processed through Access.

The vast majority of payments are made via BACS and authorised in accordance with the Bank Mandate. Where a supplier is not set up for BACS payment, payment is made via cheque. Purchases are also made using credit cards where it is more economical to do so

12.2 Payments to individuals
Payments can be made to individuals on production of an invoice. An enquiry must be carried out on the individual using the HMRC, Employer Status Indicator Tool. https://esi2calculator.hmrc.gov.uk/esi . The completed form must be retained and stored in the office in the IR35 file. If the enquiry shows that the payment cannot be made to the individual via the invoice produced, the appropriate form should be completed and the individual paid through the academy's payroll provider.

13. Other Purchases

The Academy Trust recognises that there are instances when it is not possible to process orders for goods and services in the normal way and items such as ingredients for cookery may have to be purchased and claimed back. Also purchasing goods and services over the internet which require payment at the time of ordering is becoming more common in practice. It is the function of the School Fund Account and the charge cards to support these transactions.

13.1 Internet Purchases

Internet Purchases are used when it is not practical to use an official order. For example, when purchasing food for Breakfast/Afterschool clubs. Charge cards are used for internet purchases in line with the Scheme of Delegation (Appendix 1)

When making a request for an Internet order

- Requisitions are required as per '*ordering goods and services'* procedures above.

- Transactions are recorded in Access as soon as possible and matched back to the monthly charge card statement

13.2 Reimbursements to individuals

Reimbursement is made to individuals for low value items such as food for food club, resources for clubs etc.

- Requests for re-imbursement to individuals are to be made on the Request for Reimbursement Form and MUST be supported by receipts for the goods/services received.
- Reimbursement will be made via BACS where possible or by cheque from the School Fund account or main Trust academy account.
- The person being reimbursed signs for receipt of the reimbursement. The claim form is also signed by the CFO/Trust Business Manager & the Accounting Officer.

14 Income

- The main sources of income for the Academy are the Grants from the EFA and the Local Authority. The receipt of these funds is monitored by the Trust Business Manager who is responsible for ensuring all grants due to the Academy are collected.

14.1 Income collected by each Academy

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

- School Meals
- Trips and residential visits
- Book bags & Uniform (minimal)
- Breakfast & After School Club

All Academies in the Trust use the online system to administer the collection of this income. The Finance Officer in each establishment is responsible for the day to day administration of the online payment system and the collection of Income.

14.2 Visits / Activities

A lead teacher must be appointed for each visit. For every visit or activity an Activities form must be completed. The Finance Officer/Trust Business Manager is responsible for budgeting for the visit and monitoring the online payments received and liaising with the Lead Teacher over amounts outstanding. There must be evidence that there is no intention to make a profit from any visit or activity.

14.3 Lettings

The policy for lettings of premises is contained in a separate document. The Policy and charges will be reviewed regularly and approved by the Audit, Risk, Finance & Resources Committee.
Haslington Primary Academy and Monks Coppenhall Academy do not have any lettings.

14.4 Custody

All academies have a cashless system. However, a small amount of cash may still be received via the school office for uniform and fund raising. All fund-raising monies are paid in to the school fund account. All cash and cheques are held in the Finance Office safe prior to banking. Banking takes place when required or if the cash sum held exceeds £1,000. Banking is taken to the bank/post office by the Finance Officer/Site Maintenance Officer when required.

The Finance Officer is responsible for preparing cashbook journals in the Access accounting system for reconciliation.

14.5 Debtors

Bad Debts will be managed in-line with the academy's Payment & Bad Debts Policy

Debts under £100 may be written off by the Principal.

Debts over £100 may be written off only with the approval of the Audit, Risk, Finance and Resources Committee.

Debts above the level as detailed in the funding agreement must be submitted to DfE for approval to be written off.

- If payment is still not forthcoming, for debts over £300, a threat will be issued to put the matter into the hands of a nominated Solicitor if payment is not received within the next 7 days.

- If not received after 7 days, the nominated Solicitor will be asked to pursue the debt and the debtor will be notified accordingly.

- Debts of £300 and less will be pursued without reference to the nominated Solicitor and will be reported on at Audit, Risk, Finance and Resources Committee meetings where Trustees will decide on action to be taken.

- The current aged debtors report together with details of any debts written off (under £100) and solicitor's letters sent will be provided for each Audit, Risk, Finance & Resources Committee meeting.

15. Cash Management

15.1 Bankers

The Academy Trust have appointed Lloyds as their bankers for all funds. The opening of all bank accounts must be authorised by the Trust Board, who must set out in the Scheme of Delegation the arrangements covering the operation of accounts. This should include any transfers between accounts, cheque signing arrangements and the operation of systems such as BACS which must also be subject to the same level of control.

15.2 Banking Deposits

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

- The amount of the deposit

- The counterfoil should be annotated with details of the income

- The collection slip from the bank is filed by the Finance Officer. The Trust Business manager keeps a record of all income paid into the Academy Trust's account.

15.3 Payments and withdrawals

All cheques and other instruments authorising withdrawal from any of the

Academy's bank accounts must bear signatures / electronic signatures in line with the Scheme of Delegation.

15.4 Bank Reconciliations

The CFO/Trust Business Manager, Finance Officers and Nursery Finance Officer check the bank accounts on a regular basis. Monthly Bank reconciliations are completed at the end of each month by the Trust Business Manager (Central Bank Account & School Fund) The reconciliation procedures ensure banks accounts are reconciled to the Access accounting system and balance to the period end trail balance. Any discrepancies are dealt with promptly and appropriately. The month end statements are printed off and signed by the CEO/Accounting Officer. Monthly bank reconciliations are maintained in the CFO/Trust Business Manager's office.

15.5 Petty Cash Accounts

The Academy Trust does not currently operate a Petty Cash Account.

15.6 Charge Cards

The Charge Card Account is set up for a specific purpose as specified in the Scheme of Delegation against the allotted card holder. A Charge Card is issued to personnel under the Scheme of Delegation
Charge Card Holders will

- Ensure transactions are limited to the specific reason stated in the Scheme of Delegation
- Not disclose PIN or card details to other persons
- Ensure cards are held securely
- Supply receipts for every transaction to the Business Manager/Finance Officer
- Report any instances of unauthorised card use to the Business Manager
- Report the loss of the card or PIN to the Business Manager immediately

The Trust Business Manager/Finance Officer will

- Reconcile receipts to the Charge Card Statement monthly
- Report any instances of unauthorised transactions or losses to the Audit, Risk, Finance and Resources Committee

15.7 Cash Flow Forecasts

The CFO/Trust Business Manager is responsible for preparing cash flow forecasts to ensure that the Academy Trust has sufficient funds available to cover day-to-day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds.

15.8 Investments

Investments must be made only in accordance with written procedures approved by the Audit, Risk, Finance and Resources Committee under a separate Investment Policy.

15.9 Reserves – Please see separate policy

16. VAT

16.1 VAT 126 Claims

Under legislation VAT claims can be made on expenditure supporting the Academy's core business purposes according to the simplified arrangement as detailed in the VAT Information Sheet 09/11 issued in June 2011. Claims will be made to the HMRC on form 126 by the Trust Business Manager monthly following full reconciliation of all accounts.

16.2 VAT Registration

Separate to the activities mentioned above the Academy may choose to register for VAT in relation to its non-business activities. i.e. sale of Adult Meals.
The Academy Trust is not registered for VAT at present this is kept under ongoing review with the Trust's Auditors.

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

17. Assets

A system of control has been established which ensures portable, desirable and other assets are recorded and adequately safeguarded against loss or theft.

Under certain circumstances, records of capital assets and some stocks, such as Uniform, PE kit or catering supplies are required for accounting purposes but, it is sensible to extend the systems of control to cover other assets, particularly if there are attractive and portable items that fall below the capitalisation limit.

The asset register helps:

- Ensure that staff take responsibility for the safe custody of assets;
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- Manage the effective utilisation of assets to plan for their replacement;
- Auditors draw conclusions on the financial system in place and support insurance claims in the event of fire, theft, vandalism or other disasters;

17.1 Acquisition of assets

Acquisitions of assets are subject to the same authorisation procedures as other purchases.

17.2 Recording of assets

In accordance with the agreed limits set by the Board of Trustees, all purchases of non-consumable assets that are considered to be portable and desirable, over a value of £1,000 are recorded on the asset register maintained electronically by the Finance Officer/Trust Business Manager.

The asset register includes the following information:

- Asset description.
- Date of acquisition.
- Asset cost
- Source of funding (% of original cost funded from grant and % funded from other sources).
- Depreciation (Method).
- Current book value.

In addition to the fixed asset register, a detailed electronic inventory of **ALL** portable IT equipment is maintained by the Trust Digital Marketing Officer. All items recorded include:

- An allocated asset reference number.
- Serial number where appropriate.
- Name of member of staff responsible for the asset

Assets which are frequently taken off site e.g. Teachers' laptops & iPads, are recorded in the equipment loan register, administered by the Trust Digital Marketing Officer. This is completed and signed by the member of staff who is responsible for the equipment. When a member of staff leaves, the equipment is returned to the academy.

Depreciation rates for each category are:

- **Land & buildings – 50 years**
- **Resource Provision (RP) – 25 years**
- **Multi Use Games Area (MUGA) – 15 years**
- **LED Lighting – 15 years**
- **Fixtures & fittings – 3-5 years**
- **Computer equipment – 3 years**
- **Capitalisation - £1,000 & over**

17.3 Asset checks

On an annual basis the Chair of the Audit, Risk, Finance & Resources Committee carries out a physical check of the whole establishment asset register and investigates any discrepancies found. Evidence of the physical check is retained for audit purposes.

17.4 Security marking

The Trust Business Manager/Finance Officer/Digital Marketing Officer notifies the Site Maintenance Officer of the purchase of any new assets. The Site Maintenance Officer ensures that equipment is marked using the security marking paint purchased from Smartwater.

17.5 Insurance

The Academy Trust and Academies are members of the Risk Protection Assurance provided by the EFA

17.6 Disposal of assets

All disposals of material assets, by sale or write off, require authorisation by the Principal and/or the Board of Trustees

The date of disposal is recorded in the asset register by the Digital Marketing/Admin Officer.
Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence value for money in any sale or scrapping of equipment; in addition, there are complications with the disposal of computer equipment, as the licences for software programmes have been legally transferred to a new owner.

18. Key Inventory

The Key inventory is the responsibility of the Estates Manager/Site Maintenance Officer to maintain and will be kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security ensures to be put in place and for the inventory to be updated.

19. Computer Systems

Data is backed up daily using the remote backup service. Computers and software packages are password protected.

20. Reporting to the DfE, LGPS & TPS

The Alexandra Academy Trust is required to submit reports in the following areas:

- Annual Accounts Return (AAR)
- Annual Budget
- Budget Forecast Return (BFR)
- Teachers' Pension Return
- LGPS Annual Return

The CFO and Trust Business Manager will prepare these returns with assistance from the Academy's appointed accountants where required.

20.1 Annual Accounts Return and Whole of Government Accounts

The Academy is required to submit an AAR by 30th January each year in the format supplied by the EFA. The CFO/Trust Business Manager will work with Mitchell Charlesworth to ensure this is completed and when necessary, signed off by the external auditors.

20.1 The Annual Budget

The Academy Trust is required to send a copy of its annual budget to the DfE. This will be in the format of an income and expenditure statement on an accrual basis. The CFO and Trust Business Manager must ensure that a final budget is submitted setting out the Academy's plans for the forthcoming academic year in more detail in the required format and by the required deadline as notified by the DfE year on year.

20.2 Budget Forecast Return

The Academy Trust 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 year on year.

20.3 Teachers' Pension Return/LGPS Annual Return

The Academy will submit the annual pension returns as required with assistance from Auditors Mitchell Charlesworth and EPM.

20.4 Annual Accounts

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

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

The Annual accounts must be submitted to the EFA 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 Governor's annual report and audited final accounts must be sent to Companies Register and to the Charity Commission.

21 Self-Assessment of Management and Governance

The Board of Trustees has appointed Light House Consultants as Internal Auditors to carry out checks on the Academy's systems of internal control and on the adequacy of the Academy's arrangements for financial management and governance.
The Academy Trust will report to the EFA annually on the effectiveness of the Academy's management of its resources as set out in the EFA Accounts Direction annually.

22 External Auditors

The Academy Trust appointed Mitchell Charlesworth as their external auditors in 2025. The appointment of Auditors must be approved by the Full Board of Trustees at their annual meeting

Appendix 1

ALEXANDRA ACADEMY TRUST
SCHEME OF DELEGATION / MANAGING MONEY

Authorising orders for goods and services, authorising payments entering into contracts

Position	Name	Limit/Restriction
Board of Trustees	Chair	Over £50,000 - decision recorded in minutes
Finance & Resources Committee	Chair	£50,000 - decision recorded in minutes
CEO	P Simpson	£25,000
Director of Education and Standards	J Booth	£10,000
Principal/Vice Principal - when acting in absence of Principal	C Leech R. Alcock	£10,000
Principal/Vice Principal	D Mitchell C Adlington J Nurse	£5,000
CFO	J Irlam	£5,000
Trust Business Manager	L Tasker	£5,000
Finance Officers/Bursars Budget Holders/Assistant Vice Principals	C Simms/Z Doyle J Callister/A Conaghan Estates Manager Subject Leads Assistant Vice Principals	£2,500 £1,000 (or Budget Limit if less than £1,000)

Authorisation to make virements between cost centres

Position	Name	Limit/Restriction
Board of Trustees	Chair	Over £50,000 – decision recorded in minutes
Audit, Finance & Resources Committee	Chair	£50,000 - decision recorded in minutes
CEO	P Simpson	£25,000
Principal/Vice Principal - when acting in absence of Principal	C Leech/ R Alcock	£10,000

Principal/Vice Principal – when acting in absence of Principal	D Mitchell/K Donnelly C Adlington/L Wagstaff J Nurse/H Woolley	£5,000
CFO	J Irlam	£5,000
Trust Business Manager	L Tasker	£5,000
Finance Officers	C Simms/Z Doyle J Callister/A Conaghan	£1,000

Managing the Trust Bank Accounts

Position	Name	Authority
CEO	P Simpson	Cheque Signatory one of two to sign On Line Payment Authenticator one of two to authenticate payments
Principal/Vice Principal	C Leech/ R Alcock D Mitchell	Cheque Signatory one of two to sign On Line Payment Authenticator one of two to authenticate payments – RA ONLY
CFO	J Irlam	Cheque Signatory one of two to sign Online Payment Authenticator one of two to authenticate payments
Business Manager	L Tasker	Cheque Signatory one of two to sign On Line Payment Authenticator one of two to authenticate payments
Finance Officers	J Callister/Z Doyle C Simms/A Conaghan	Cheque Signatory one of two to sign On Line Payment Authenticator one of two to authenticate payments – LT & JC ONLY

Credit card holders

Position	Name on Card	Card Number	Limit
CEO	MRS P SIMPSON	**** **** **** 9399	**£4,000.00**
CFO	MRS J IRLAM	**** **** **** 7083	**£1,000.00**
TRUST BUSINESS MANAGER	MISS L TASKER	**** **** **** 8782	**£10,000.00**
PRINCIPAL	MR C ADLINGTON	**** **** **** 1837	**£2,500.00**
PRINCIPAL	MRS D MITCHELL	**** **** **** 2712	**£5,000.00**
PRINCIPAL	MR C LEECH	**** **** **** 4818	**£5,000.00**
VICE PRINCIPAL	MR R ALCOCK	**** **** **** 7094	**£3,000.00**
ESTATES MANAGER	MR S BOULTON	**** **** **** 1348	**£3,000.00**
FINANCE OFFICER (H)	MR C SIMMS	**** **** **** 5100	**£2,500.00**
FINANCE OFFICER (M)	MISS A CONAGHAN	**** **** **** 2559	**£1,500.00**
FINANCE OFFICER(G/C)	MRS Z DOYLE	**** **** **** 1593	**£5,000.00**
NURSERY LEAD (M)	MS J HILL	**** **** **** 9909	**£1,000.00**
SITE MAINTENANCE (C)	MR M CREASEY	**** **** **** 4699	**£2,500.00**

SITE MAINTENANCE (G)	MR A SMITH	**** **** **** 5695	**£2,500.00**
WRAPAROUND CLUB MANAGER (G)	MRS S TILLEY	**** **** **** 8557	**£2,500.00**

Users of computerised finance package (Access)

Position	Name	Limit/Restriction
CFO	J Irlam	System Administrator
Trust Business Manager	L Tasker	System Administrator
Finance Officer	J Callister/C Simms/A Conaghan/Z Doyle	System user – access all ledgers
Principal	C Leech/D Mitchell/C Adlington/J Nurse	System user – access all ledgers

Users of computerised online payment system – Arbor

Position	Name	Limit/Restriction
CFO	J Irlam	System Administrator
Trust Business Manager	L Tasker	System Administrator
Finance Officer	J Callister/C Simms/A Conaghan/Z Doyle	System Administrator
Admin Officer	All Schools	System Administrator
Teacher Account	All Teachers	System User-Lunchtime selection only

Certification payroll documents

Position	Name	Limit/Restriction
Chair of Trustees	A Guildford	Sign payroll forms relating to CEO
CFO	J Irlam	Authorise all Appointment & Leaver Forms and change of contract forms (online authorisation for EPM or sign paper forms) Authorise Monthly Claim documents
Business Manager	L Tasker	EPM user – input new starters/leavers/contract changes Authorise Supply hours (online) Authorisation of Monthly Claim documents
Principal	C Leech/D Mitchell/C Adlington/J Nurse	Authorisation of Monthly Claim documents
HR Officer/Finance Officer	Z Holloway/Z Doyle	EPM user. Input new starters/leavers/contract changes. Input of Monthly Claim documents

Certificate of Travel / Subsistence Claims

Position	Name	Limit/Restriction
CFO/Trust Business Manager	J Irlam/L Tasker	£250 per claim
CEO	P Simpson	Over £200 per claim & all CFO/TBM claims
Chair of Trustees	A Guildford	Travel Claims of CEO/Principal above £250

Authorisation to write-off bad debts

Position	Name	Limit/ Restriction
Principal	C Leech/D Mitchell C Adlington/J Nurse	£100
Audit, Risk, Finance & Resources Comm Secretary of State		Over £100 – recorded in minutes Detailed in funding letter

Completion of VAT returns

Position	Name	Limit/ Restriction
Trust Business Manager	L Tasker	N/A

Administration of School Fund (Unofficial Funds)

Position	Name	Limit/ Restriction
CFO	J Irlam	Manager - Cheque Signatory one of two to sign Authorisation of claims
Trust Business Manager	L Tasker	Manager - Cheque Signatory one of two to sign Authorisation of claims
Finance Officer	J Callister/C Simms/A Conaghan/Z Doyle	Administrator Cheque Signatory one of two to sign Authorisation of claims
Principal	C Leech/D Mitchell C Adlington/J Nurse	Cheque Signatory one of two to sign Authorisation of claims
Vice- Principal	R Alcock	Cheque Signatory one of two to sign

Appendix 2
Academy Annual Budget Cycle

January:
CFO/Trust Business Manager works with Mitchell Charlesworth/the appointed External Auditor to complete Accounts Return to be submitted to DfE

February:
The Senior Leadership Team start work on next year's priorities and possible staffing needs. These priorities will be discussed with the various committees of the Board of Trustees

March:
The Academy Trust receives its Draft Recurrent Grant for the following year from the Education Funding Agency (EFA). The CFO/Trust Business Manager starts to construct next year's budget. A mid-year review of the current budget takes place.

April / May:
The Principal and CFO/Trust Business Manager discuss details of next years' budget and present to the Audit, Risk, Finance and Resources Committee.

June:
Trust Board approve final budget for the following year.
CFO/Trust Business Manager monitors current budget for predicted YE figure.

July:
The CFO/Trust Business Manager then prepares Budget forecast return to DfE. Appointed Auditors start their preparative work on the Annual Accounts.

Aug/Sept:
Financial Year End (31st August) Start of new Financial Year (1st Sept). CEO/CFO/Trust Business Manager & Principal support Directors/Trustees in preparation of Trustees Report.

Oct:
Trust Business Manager completes the census return which is used by Government as the basis for funding for the next financial year. Appointed Auditors continue audit field work and produce draft Annual Accounts for governors to review.

Nov/Dec

Appointed Auditors present accounts to Full Trust Board. Trustees approve Financial Statements. CFO/Trust Business Manager presents monitor of current budget to Audit, Risk, Finance & Resources Committee

Dec:
By 31st Dec Financial Statements are published