LACEY GREEN PRIMARY ACADEMY



FINANCE MANUAL
2026 - 2027

Approved by the full Board of Trustees: November 2026

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1. DEFINITIONS:

DfE
Department for Education

THE ACADEMY
Lacey Green Primary Academy

THE BOARD OF TRUSTEES
Trustees of the Board of Trustees of Lacey Green Primary Academy

FINANCE, RESOURCES, AUDIT and RISK COMMITTEE
Trustees who serve on this committee, Head of Finance and Operations, the Internal Auditor (as required) and any other external financial consultants who attend as appropriate.

THE BUILDINGS (PREMISES AND HEALTH AND SAFETY) COMMITTEE
Trustees who serve on this committee, Head of Finance and Operations, the Internal Auditor (as required) and any other external financial consultants who attend as appropriate.

THE FINANCE TEAM
Comprising of: Principal, Head of Finance and Operations, and Internal Auditor (when and where engaged).

THE LEADERSHIP TEAM
Comprising of the Principal and Senior Teachers.

SENIOR MANAGEMENT TEAM (SMT)
Senior Management Team, comprising of Principal, Head of Finance and Operations (to whom responsibility for the trust's detailed financial procedures is delegated), and the SEND Coordinator.

INTERNAL AUDIT
Either in-house or bought in.

2. FINANCIAL POLICY

The purpose of this manual is to ensure that the Academy maintains and develops systems of financial control which conform to the requirements of both propriety and good financial management. It is essential that these systems operate to meet the requirements of our funding agreement with the DfE.

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

It is our policy to develop and maintain a budgeting and accounting control system which:

- provides a framework for strategic planning and budgeting
- enables income and expenditure to be identified and controlled
- ensures accounts can be prepared which give a true and fair view of the state of all financial affairs at the Academy, taking into account statements of standard accounting practices where relevant but subject to the accounting policies and disclosure requirements issued by the DfE
- enables the Academy to complete the regular financial returns required by the DfE by the due dates.
- safeguards the Academy's assets

Such systems should:

- be cost effective
- comply with all statutory requirements and other regulations relevant to the constitution and activities of the Academy
- be easily understood by members of the Academy staff responsible for its operation

3. RESPONSIBILITY FOR THE FINANCIAL AFFAIRS OF THE ACADEMY

The responsibility for the financial affairs of the Academy have been delegated by the Members of the Trust to the Academy Board of Trustees who are ultimately responsible for controlling the finances of the Academy. The exception to this is the appointment of the Trust's external auditors, who must be appointed by the Members of the Trust.

Although the Finance Committee and the Buildings Committee have been created which have delegated responsibility for financial matters, responsibility for financial matters remains ultimately, with the Board of Trustees.

The day-to-day management of Lacey Green Primary Academy is delegated to the Principal.

3.1 Role of the Board of Trustees

The Board of Trustees is responsible for ensuring that any grant received is used in accordance with the intended purpose and must take steps to ensure that the financial management and organisation of the Board of Trustees are such as to enable it to fulfil its obligations.

The Board of Trustees must consider the annual letters to Trusts' Accounting Officers / CEOs from the DfE's Accounting Officer and appropriate action should be taken.

The Board of Trustees recognises that it would be impractical to undertake all the day-to-day activities itself in discharging its responsibilities and that it is necessary to delegate some of its functions through its committees and the Principal.

The delegated powers and duties referred to in this manual apply to all committees and the Principal unless otherwise indicated.

The Principal may also delegate, provided the terms of further delegation are clearly made and documented.

The Board of Trustees will keep under review its financial management arrangements and make amendments as necessary. The Internal Audit function, where and when engaged, will advise the Board of Trustees where they feel any or such amendments to be necessary.

This Finance Manual will be reviewed annually by the Finance Committee to incorporate the views and requirements of the Academy's external auditors as detailed in their audit report. The procedures should always comply with DfE requirements.

Compliance with this manual is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the Principal.

The main responsibilities of the Board of Trustees include:

- Ensuring that funds from the DfE are used only for the purposes intended
- Ensuring economy, efficiency and effectiveness in the use of all funding
- Approval of the annual budget
- Appointment of the Principal
- To ensure that the Trust's records on Companies House and the Government service "Get Information about Schools" is accurate and up to date
- To agree a procedure for whistleblowing and publish it on the Academy's website, ensuring that all staff are aware of the process

3.2 Committees and Terms of Reference

Finance Committee

Covering Staffing and Remuneration, Resources, Audit and Risk

Membership:

- The membership of the committee will be a minimum of four Trustees or such other number as the Board of Trustees may decide. The Principal will be an automatic member. The Chair of Trustees will be an ex-officio member. The committee will be able to co-opt such non-voting members as it considers necessary.

Meetings:

- Meetings will be held at least once termly. Seven days' notice must be given when calling a meeting by the Chair. Procedures of any meetings held will be minuted and these minutes presented for the next meeting of the Trustees and this committee. (Minutes should have a section for confidential matters).

Finance:

- To plan, set and present the Academy budget to the Board of Trustees having regard to the needs of the School Development Plan (SDP)

- To consider the spending plans of other committees and report back to and advise, the Board of Trustees
- To monitor all financial information / reports provided by the DfE and to report, as appropriate, to the Board of Trustees
- To delegate to the Principal the day-to-day management of the approved budget within agreed authorisation limits

- To consider requests for supplementary expenditure and virements and make appropriate recommendations to the Board of Trustees
- To ensure that the requirement for public and non-public funds to be audited annually and to respond and act upon advice given
- To provide advice to the Board of Trustees and Principal in all financial matters
- To consider and act upon matters not covered by other committees
- To review financial policy including consideration of long term planning and resourcing in accordance with the School Development Plan (SDP)
- To ensure that the Academy operates within the Financial Regulations of DfE
- To keep under review the Accessibility Plan for the Academy and to report to Trustees on its implementation
- To ensure necessary tendering arrangements are carried out and to make recommendations to the Board of Trustees on the award of contracts
- To advise the Board of Trustees with regard to compliance with Health and Safety Regulations and to prepare and review annually the Health and Safety Policy Statement
- To ensure the maintenance and upkeep of the premises and grounds
- To ensure minutes are taken at each meeting and circulated
- To ensure standards of governance comply with the charitable objects, duties as company directors, with Charity Law and with the Funding Agreement

Staffing and Personnel:

- To be responsible for recommending to the Board of Trustees the establishments for both teaching staff and support staff
- To recommend variations to the agreed establishment
- To authorise the filling of vacancies of existing roles
- To authorise the creation of new roles, as required
- To ensure that all staff have contracts of employment and clear job descriptions
- To consider applications from staff for changes in contracts, for early retirement, for leave of absence outside the scheme adopted by the Board of Trustees or for any other issue raised by staff in connection with their contract of employment
- To decide the overall procedures for appointing staff
- To be responsible for the development of policies on personnel matters
- To establish disciplinary rules and procedures and staff grievance procedures and to take appropriate steps to make them known to staff
- To be responsible for the oversight of arrangements for the deployment at the Academy of non-school employees e.g. catering contractors
- To ensure that the requirements of equal opportunities legislation in regard to gender, race, disability and age are met

Pay matters (Covered by the Staffing and Remuneration Committee members)

- To manage pay and grading issues as laid down in the Academy's Pay Policy
- To determine in accordance with the Academy's Pay Policy, the level of salary for new appointments for both teaching and support staff
- To manage and approve changes to the Principals pay and Contract.
- To establish criteria for awarding discretionary points to teaching staff, including UPS
- To set annual budgets for staffing
- To provide, when needed, three Trustees to form a Pay Appeals Committee, in line with the requirements of the pay policy
- To annually review the Principal's and Head of School's salary and bonus payment with reference to outcomes determined in the Strategic Development Partner's annual review
- To determine annual pay awards for SLT members other than the Principal and Head of School

Audit and Risk matters:

- To annually appoint an internal scrutineer with reference to risks identified on the prevailing Risk Register and determine the focus and areas of review for the forthcoming academic year
- To review the annual draft statutory accounts prior to the conclusion of the statutory audit and the Chair of Trustees should approve the statutory accounts subject to there being no material variation
- To regularly review reports and recommendations made by the internal scrutineer and external auditor and determine action plans where operational and/or financial changes require implementation

Buildings and Health and Safety Committee

Membership:

- The membership of the committee will be a minimum of three Trustees or such other number as the Board of Trustees may decide. The Principal will be an automatic member. The Chair of Trustees will be an ex-officio member. The committee will be able to co-opt such non-voting members as it considers necessary
- The committee will elect a Chair and Minuting Secretary within its own membership at the first meeting of each academic year
- Non-voting participants may be invited to meetings by the committee as and when required

Meetings:

- Meetings will be held at least once termly or as required. Seven days' notice must be given when calling a meeting by the Chair. Procedures of any meetings held will be minuted and these minutes presented for the next meeting of the Board of Trustees and this committee. (Minutes should have a section for confidential matters).

Terms of Reference:

- The main responsibility of the committee is, in consultation with the Principal, to oversee the Academy buildings
- To appoint a Key Member to liaise with other committees and to provide a brief report to the Board of Trustees termly meeting
- The Chair (or substitute) will report to the full Board of Trustees every term
- To ensure minutes *(with decisions and action points)* are taken at each meeting and circulated to all members of the Board of Trustees and the Clerk to the Trustees

Building Responsibilities:

- To exercise delegated responsibility for the condition, repair, extension or alteration of the premises in liaison with the Finance Committee
- To inspect annually the premises and grounds and prepare for the School Development Plan a statement of priorities for maintenance and development for the approval of the Board of Trustees
- To advise the Board of Trustees on major projects deemed to be necessary or appropriate
- To work with relevant partners and consultants to ensure that new buildings and improvements, as agreed with the Board of Trustees, are progressed, and where appropriate that the payments are made
- To act on behalf of the Board of Trustees in monitoring the implementation and progress of all building related plans
- To monitor the maintenance and upkeep of the Academy premises and grounds
- To review annually and to make recommendations to the Board of Trustees on the appointment of consultants or the providers of Premises Related Services to the Academy
- To determine the use of the Academy premises outside school session times including advice to the Board of Trustees on a possibly Lettings Policy that must be determined by the Board of Trustees
- To monitor lettings in accordance with the policy agreed by the Board of Trustees

Education and Standards Committee

Membership:

- The committee shall consist of no less than three Trustees, including the Principal (or substitute nominated by the Principal)
- Quorum of three Trustees, of which the Principal / Head of School (or substitute) must be one
- The nominated Trustee for safeguarding to sit on this committee

Meetings

The committee will meet at least twice a year. It can agree to meet more frequently if this is seen as necessary.

Terms of Reference:

- To provide guidance and assistance to the Principal and the Board of Trustees on all matters relating to school curriculum and standards and their statutory obligations regarding the National Curriculum

- To recommend to the whole Board of Trustees approval of the Curriculum Policy as drawn up by the Principal ensuring that the Curriculum is balanced and broadly based, and in line with current educational agendas including an annual review
- With the assistance of staff, provide information to the full Board of Trustees about how the curriculum is taught, evaluated and resourced
- To review policies as required for all National Curriculum subjects and to monitor and report back on the implementation of policies, in order to make recommendations for the full Board of Trustees to consider
- To review the policy and provision for collective worship and Religious Education and make recommendations to the full Board of Trustees
- To review the policy and provision for sex education and make recommendations to the full Board of Trustees
- To review the policy and provision for Safeguarding / Child Protection and make recommendations to the full Board of Trustees
- To review the policy and provision for sex education and make recommendations to the full Board of Trustees
- To review the policy and provision for Safeguarding / Child Protection and make recommendations to the full Board of Trustees
- To ensure that the requirements of children with special needs are met through establishing and monitoring the Schools Local Offer
- To review information and data regarding school performance including KS2 results
- To be involved in the monitoring of achievement, progress and assessment throughout the school
- To monitor the use of Pupil Premium funding and its impact
- To contribute towards the curriculum area of the School Development Plan
- To receive any reports from the Principal, SLT and Subject Leaders on the delivery of the curriculum
- To agree on a policy and protocol for Trustee visits to the Academy
- To attend or commission appropriate Trustee training
- The Chair (or substitute) will report to the full Board of Trustees every term
- To ensure minutes *(with decisions and action points)* are taken at each meeting and circulated to all members of the Board of Trustees and the Clerk to the Trustees

Staff Trustees

In regard to the strong preference for no Staff Trustees other than the Principal to maintain clear lines of accountability (as noted in the Academy Trust Handbook 2024): The Trustees have discussed this point, as noted, in recurring management letters that we are in line with our Articles of Association on our website. It was agreed that Lacey Green Primary Academy Articles allowed for Staff Trustees and the Trustees respectfully agreed to retain Staff Trustees on the Board of Trustees. The Board of Trustees feels that Staff Trustees are an additional layer of accountability and transparency in regard to good practice.

3.3 Individual Financial Responsibilities

Specific responsibilities of key personnel are as follows:

Internal Scrutineer

An Internal Audit function must be appointed by the Board of Trustees to deliver assurance through independent challenge to the Trustees.

Specific responsibilities include:

- ensuring the efficient, economical and effective management of the Board of Trustees resources and expenditure, including funds, capital assets and equipment and staff
- ensuring the introduction and maintenance of sound internal financial control.
- seeking to ensure that financial considerations are taken fully into account in reaching decisions and in their execution
- reviewing budgets and reports as prepared by the Head of Finance and Operations
- reviewing procedures relating to bank accounts and cash holdings to satisfy DfE requirements
- ensuring the financial responsibilities of the Board of Trustees are being properly discharged
- production of annual summary report

Further duties include:

- enquiry into discrepancies between budget and actual figures, and documenting such records
- keeping up to date on DfE requirements and any changes in the statutory reporting
- ensuring that appropriate accounting policies are followed in the preparation of accounts
- having regular meetings with the Principal and Head of Finance and Operations to discuss recommendations
- reporting to the Board of Trustees or Principal as appropriate

The Principal

Within the framework of the Academy's School Development Plan, as approved by the Board of Trustees, the Principal has overall executive responsibility for the Academy's activities including financial activities.

The Principal retains responsibility to:

- act as the Accounting Officer
- ensure compliance of the Academy with DfE financial regulations
- ensure that all DfE reporting requirements are submitted in the prescribed format and at the time required, and in particular complete and sign a statement of regularity, propriety and compliance each year and submit this to DfE with the audited accounts
- ensure that administrative and financial staff clearly understand their role(s) and the limits of their responsibilities
- ensure that spot checks are made on the bank statements and ledgers by either themselves or a member of the SMT
- Bank statements and reconciliations are counter-signed on a monthly basis by the Principal
- approve new staff appointments within the authorised establishment, except for any senior staff posts which the Board of Trustees have agreed should be approved by them
- authorise contracts up to £15,000 in conjunction with the Finance Committee
- to be an authorised bank signatory
- to ensure that the Finance Manual is updated as necessary

Head of School

In the case of long-term Principal absence the Head of School assumes the responsibilities above.

Where long-term absence of the Principal exists, the Head of School assumes the overseeing of expenditure, with a limit set at £5,000. The Head of School must consult with the Chair of Trustees, in the first instance, with regard to spending over £5,000, and the Chair of Trustees' decision is final.

The Chair of Trustees will counter-sign any Head of School expenditure over £5,000

Head of Finance and Operations

Specific responsibilities include:

Main Academy Budget

- Monitoring of the monthly funding received from the DfE and investigating any discrepancies against expected income
- Delegating the processing of invoices
- Processing funding received from the DfE and the LA on the Academy's financial software
- Banking, recording and storing securely of monies
- Checking of supplier statements and requesting of outstanding invoices
- The checking of invoices entered on the financial software against source documentation and the joint authorisation of these invoices for payment
- Monthly bank reconciliations
- The reconciliation of income banked to income records, including receipts
- Produce financial reports for the Principal and Trustees as and when required
- Perform the monthly closedown of accounts on the Academy's financial accounting software
- The preparation of information for management, Board of Trustees and Committee meetings when required
- to be an authorised bank signatory

- to ensure that the Finance Manual is updated as necessary in conjunction with the Principal

Non-Public Funds

All day-to-day responsibilities including:

- The reconciliation of Non-Public funds balances to reserves carried forward at year-end
- Recording of monies banked on the computer
- Delegating the processing of invoices
- Liaising with appropriate members of staff as and when required
- Producing reports of transactions as and when required
- Processing of trip monies paid electronically into the Academy bank account
- Liaising with appropriate members of staff with regard to trips and monies still outstanding from pupils
- Liaising with appropriate members of staff regarding costs of trips and money to be paid out
- Chase outstanding debt

Administration

- Reconciling payroll reports against payments made
- Processing payroll entries on the Academy's financial software
- To produce annual pay review statements providing a breakdown of salary details
- The updating of starters, leavers, pay rises, promotions etc. Such amendments as shall be passed on to the payroll provider for processing and action for payroll and pensions
- Checking and analysing the payroll reports produced by the payroll provider
- Refunding of staff expenses via the payroll provider
- Calculating and processing staff overtime claims
- Process BACS and Faster Payments for the Academy's suppliers
- To carry out bank signatory administration as appropriate, for charge, debit and credit cards
- Day to day running of the bank account (liaising with the bank)
- Recording of banking transactions on the Academy's financial software
- Monthly bank reconciliations
- The reconciliation of income banked to income records, including receipts
- Treasury management
- Liaison with the Academy's external auditors and internal audit function, and provision of information that they may require
- Processing and uploading of forms and returns to the DfE in line with the timetable in the DfE guidance
- Process month-end and year-end close down procedures on the Academy's financial software
- The preparation of monthly management accounts, cash flow and narrative
- Monthly review of balance sheet entries, including control accounts, and the reconciliation of these accounts on the Academy's financial software
- The production of annual BFR return, in conjunction with the Principal, for presentation to the Finance Committee, Board of Trustees and submission to the DfE by August each year
- The preparation of year-end information as required by the DfE
- Budget monitoring and analysis
- The preparation of information for management meetings, Board of Trustees meetings, Finance and Buildings and Health and Safety Committee meetings as required
- To carry out any other duties as requested by the Principal, Board of Trustees, or Internal Auditor
- Completion of Land and Buildings return to DfE in February each year
- The production of the School Resource Management Self-Assessment Tool (SRMSAT) return, in conjunction with the Principal, for presentation to the Finance Committee, Board of Trustees and submission to the DfE in March each year
- The preparation and monitoring of insurance claims as necessary

Finance Administration Team

Specific responsibilities include:

- Processing of invoices
- Raising orders for uniform / first aid / health and safety supplies
- Recording money and receipts and storing cash securely

- Checking of supplier statements and requesting of outstanding invoices
- The checking of invoices against requisitions
- The checking of invoices entered on the Academy financial software against source documentation
- The reconciliation of income banked to income records, including receipts

Caretaker

Specific responsibilities include:

- Raising orders for caretaking and health and safety supplies

3.4 Register of Business Interests / Conflicts of Interests and Trading with Connected Parties.

Members of the Board of Trustees and staff have a responsibility to avoid any conflict between their business and personal interests as well as the interests of the Academy. The Principal shall therefore maintain a Register of Business Interests, detailing any areas of possible conflict.
The Academy Trust's register of interests must capture relevant business and pecuniary interests of members, trustees and senior employees, including: directorships, partnerships and employments with businesses, trusteeships and trusteeships at other educational institutions and charities. For each interest: the name of the business, the nature of the business, the nature of the interest, and the date the interest began, where possible, should be disclosed. Disclosures should also include business interests of relatives, close, personal relationships with staff members and other individuals who may exert influence.

The existence of a Register of Business Interests does not detract from the duties of Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees or a committee. Where an interest has been declared, Trustees and staff should not attend that part of any committee or other meeting.

The Trust must pay no more than 'cost' for goods or services provided to it by the following persons ('services' do not include services provided under a contract of employment):

- any member or trustee of the Academy trust
- any individual or organisation connected to a member or trustee of the Academy trust (including relatives)

The Academy should avoid practices such as obtaining goods and services which may include an element of private use for Trustees or staff.

The register is open to public inspection and Trustee business interests are on the Academy website.

4. SCOPE OF FINANCE MANUAL

The Finance Manual is intended to cover all the financial aspects of the management of Lacey Green Primary Academy.

The manual has been prepared to establish policies and to provide a sound framework for the members of staff involved directly or indirectly in the financial affairs of the Academy.

The manual is intended to provide a balance between permitting the Academy the necessary freedom to take advantage of the additional authority associated with its status and maintaining due regard for the proper accountability for and control over the expenditure of public funds.

It is not possible to cover every possible eventuality. If there are specific matters not covered within the manual, they shall be resolved within the spirit of the policies and guidelines prescribed herein and good accounting practice.

Regular reviews of all the procedures and policies covered by the manual shall be performed having due regard to the need to obtain value for money. The Academy staff shall, therefore, have due regard to economy, efficiency and effectiveness when using resources.

Copies of the Finance Manual are held by:

- The Principal
- Head of Finance and Operations
- Trustees of the Finance Committee

5. AMENDMENTS

The Finance Manual has been approved by the Board of Trustees through the Pre-Autumn Full Governing Body Business Meeting.

The Principal will be responsible for the presentation of any proposed amendments to the Finance Committee.

Approved amendments will be effected only to those copyholders identified above. For this reason, further copies of the manual should not be taken.

All enquiries concerning the Finance Manual should, in the first instance, be directed to the Principal.

6. ACCOUNTING PRINCIPLES

The accounting principles adopted by the Academy shall at all times be in accordance with the guidelines issued by the DfE.

Returns shall be prepared in accordance with the historical cost convention. It is also important in assessing the effectiveness of the Academy's financial control arrangements that there be consistency of accounting treatment to allocating costs between income and expenditure headings on financial returns.

Year-end accounts and returns shall be completed on an accruals basis. Thus, income will be shown at the point when it is due to the Academy, whether or not it has actually been received and expenditure at the point when the relevant goods or services are received, whether or not payment has actually been made.

6.1 System Access

Entry to the Academy's financial software system (Hoge100) is password restricted.

Access to the component parts of Hoge100 can also be restricted and the Head of Finance and Operations is responsible for setting access levels for all members of staff using the system.

6.2 Back-up Procedures

Data Storage

JTRS (IT Support Provider) use a customised third party application to back-up to a Wasabi data storage primary server and then backed up to a secondary location, these locations are in the EU and comply with EU regulations.

Data Encryption

JTRS backups are encrypted along with the uploading of the data using a JTRS secure password which can be shared if required by the Academy.

Reporting

JTRS receive reports on both completion and any issues once the backups have been performed / completed.

Data Retention

Data is held for 30 days. Data from any day during this period can be restored.

Capture is also retained on a hard drive for long-term storage and recovery if required.

Data Restore

JTRS implement disaster recovery and full restoration of all files and folders.

Cyber Ransom Demands

On no account will the Academy pay any cyber ransom demands

Service Monitoring and Testing

The Audit Committee should also prepare a Disaster Recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by Trustees of the major risks to which the Academy is exposed

and the systems that have been put in place to mitigate those risks.

6.3 Transaction Processing

All bank transactions and journal entries are input and reconciled by the Head of Finance and Operations on Hoge100. The Principal regularly oversees that bank transactions are being checked appropriately and signed off as part of the bank reconciliation routine.

6.4 Transaction Reports

The Head of Finance and Operations will obtain and review system reports to ensure that only regular / expected transactions are posted to the accounting system. The report obtained and reviewed will include:

- Sales ledger control account
- Purchase ledger control account
- Payroll control account
- All suspense accounts
- Bank balance per the nominal ledger to the bank statement

Any unusual or long outstanding items must be investigated by the Head of Finance and Operations. The Principal will review and sign all reconciliations as evidence of their review.

6.5 General Data Protection Regulation (GDPR)

The Academy must appoint a Data Protection Officer (DPO), a person dedicated to GDPR. Their job is to monitor the Academy's policies, provide training, and conduct audits.

The GDPR requires personal data to be processed in a manner that ensures its security. This includes protection against unauthorised or unlawful processing and against accidental loss, destruction or damage. It requires that appropriate technical or organisational measures are used.

The lawful basis for processing data are set out in Article 6 of the GDPR. At least one of these must apply whenever the Academy processes personal data:

(a) Consent: the individual has given clear consent for you to process their personal data for a specific purpose
(b) Contract: the processing is necessary for a contract you have with the individual, or because they have asked you to take specific steps before entering into a contract
(c) Legal obligation: the processing is necessary for you to comply with the law (not including contractual obligations)
(d) Vital interests: the processing is necessary to protect someone's life
(e) Public task: the processing is necessary for you to perform a task in the public interest or for your official functions, and the task or function has a clear basis in law
(f) Legitimate interests: the processing is necessary for your legitimate interests or the legitimate interests of a third party, unless there is a good reason to protect the individual's personal data which overrides those legitimate interests (This cannot apply if you are a public authority processing data to perform your official tasks)

No personnel data should be carried on a portable appliance. Paper documents containing personal data should be stored securely and disposed of via the Academy's external shredding service.

7. FINANCIAL PLANNING

The Academy takes an integrated approach to curriculum and financial planning.

The Academy prepares a Budget Plan, a School Development Plan and an Estates and Buildings Management Plan.

The School Development Plan indicates how the Academy's main objectives are going to be achieved within the expected level of resources over the next two to three years.

The School Development Plan and the Estates and Buildings Management Plan provides part of the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Academy and the planned use of those resources for the following year.

The School Development Plan, Estates and Buildings Management Plan and the budgetary process are described in more detail below.

7.1 School Development Plan / Estates and Buildings Management Plan

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

The form and content of the School Development Plan and the Estates and Buildings Management Plan are matters for the Academy to decide but due regard should be given to the matters included within the guidance to academies and any annual guidance issued by the DfE.

Each year the Principal proposes a planning cycle and timetable to the Board of Trustees which allows for:

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

The timetable will specify the deadlines for the completion of each of the stages described above. The Principal will assign lead responsibility for the completion of each of the stages.

The completed School Development Plan will include detailed objectives for the coming academic year and outlined objectives for the following two years. The plan also includes the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.

7.2 Annual Budget

The Principal and Head of Finance and Operations are responsible for preparing and obtaining approval for the annual three year budget plan. The Principal, Finance Committee and the Board of Trustees must approve the plan. The approved budget must be submitted to the DfE via the BFR by the Head of Finance and Operations within the prescribed deadline each year and the Principal is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the allocated submission date is met. The annual budget will reflect the best estimate of the resources available to the Academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the School Development Plan and Estate and Buildings Management Plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- Forecasts of the likely number of pupils, to estimate the amount of DfE grant receivable
- Review of other income sources available to the Academy to assess likely level of receipts
- Review of past performance against budgets to promote an understanding of the Academy cost base
- Identification of potential efficiency savings
- Review of the main expenditure headings in light of the School Development Plan and Estates and Buildings Management Plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes

It is the Academy's policy to provide a budgetary and reporting system which:

- Provides detailed annual budgets which represent the financial implications of delivering the Academy's strategic plan
- Encourages participation in the budget and planning process
- Continues to portray a professional commercial attitude to the way the Academy manages its finances
- Makes people accountable for their activities over which they have delegated responsibility and control
- Provides timely and relevant financial information to the Academy
- Enables the financial position of the Academy to be monitored and evaluated and provides the opportunity for the implementation of corrective action where necessary
- Enables the Academy to make the best use of the available resources

7.3 Balancing the Budget

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

this may be held back as a contingency or alternatively allocated to areas of need.

7.4 Finalising the Budget

Once the different options and scenarios have been considered, a draft budget should be prepared by the Head of Finance and Operations for approval by the Principal, the Finance Committee and the Board of Trustees.

7.5 Accounting

The final approved budget details shall be input and on the Hoge100 in order to provide data for subsequent reports showing actual income / expenditure compared with budget.

7.6 Monitoring and Review

Monthly Management Accounts will be prepared by the Head of Finance and Operations. The reports will detail actual income and expenditure against budget, for the Principal and the Finance Committee.

Any potential overspend against the budget must, in the first instance, be discussed with the Principal.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast, it may be appropriate to vire money from another budget or from the contingency.

7.7 Virement

Virement shall be delegated to the Principal up to the value of £20,000. In the case of the Principal being long-term absent, delegation will pass to the nominated person (the Head of School) and such virement will be reported to the Board of Trustees. The Head of School has been delegated virement up to the value of £5,000 with consultation and agreement of the Chair of Trustees.

Virement in excess of £20,000 and up to £50,000 will need the approval of the Finance Committee or its Chair Person. Higher sums need the approval of the full Board of Trustees.

7.8 Levels of Delegation

Principal	Finance Committee	Full Board of Trustees
Up to £20,000	over £20,000 to £50,000	Over £50,000

7.9 Financial Reporting

Financial reports are produced for a variety of different users. These include:

- Principal
- SMT and Leadership Team
- Head of Finance and Operations
- External Auditors
- Finance Committee
- Buildings and Health and Safety Committee
- Board of Trustees
- Internal Scrutineer

Reports for Internal Use

Internal reporting is usually based on cost centre information, but the level of all detail will depend on the requirements of the end-user.

Budget information is presented to the Finance Committee in a format consistent with the monthly management reports but with more detailed accompanying notes to provide explanations of the figures. Once the budget has been recommended for approval by the Finance Committee, final approval is sought from the Board of Trustees prior to submission to the DfE via the BFR.

Notes of significant variances and where it is felt explanations would be useful, are appended to the monthly management

accounts. This management accounts are used for reporting to the Principal, Finance Committee, and full Board of Trustees meetings. Further explanation is given verbally by the Head of Finance and Operations at those meetings.
In addition to the monthly management reports, copies of the year-end accounts are circulated to the Finance Committee.

7.10 Borrowing

The Academy must obtain DfE's prior approval for borrowing, including overdraft facilities, excluding finance leases on the DfE approved list.

8. PAYROLL

The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments

8.1 Staff Appointments

The Board of Trustees has approved an annual staffing structure for the Academy. Changes can only be made to this establishment with the express approval, in the first instance, of the Finance Committee who must ensure that adequate budgetary provision exists for any establishment changes.

Staffing Appointments and Contracts The Principal has the authority to appoint staff within the staffing structure, with the exception of the Head of School and the Head of Finance and Operations; appointments for these roles require prior consultation with the Trustees. Staff contracts are issued by the Principal and distributed via Adobe Sign. Our HR provider, Knights, conducts an annual review of all Academy contracts. Any changes that are made to the Principal and Head of School contract must be made and authorised by the Staffing Remuneration Committee and the Chair of Trustees.

Executive, Principal, and Head of School Pay: The Trustees must ensure that decisions regarding executive pay levels follow a robust, evidence-based process that reflects the individual's roles and responsibilities. The Principal cannot be involved in determining their own remuneration; this is the exclusive responsibility of the Remuneration Committee. This is a delegated authority and does not require authorisation from the full Board of Trustees, though the Chair of Trustees must participate in the process.

The Board of Trustees must discharge its responsibilities effectively, ensuring its approach to pay is transparent, proportionate and justifiable.

8.2 Payroll Administration

IRIS (Payroll Provider) administers the Academy payroll. Any details of changes to staff contracts, hours and rates of pay staff are given via the Head of Finance and Operations using a Smartform.

All staff are paid monthly through this system. Any amendments to the payroll are checked by the Head of Finance and Operations and Principal to ensure that they are correct. During the year, payroll information will require updating for starters, leavers, pay rises, promotions, etc. Such amendments shall only be passed on to the payroll provider if they are entered on an appropriate form authorised by the Principal.

8.3 Expenses and Allowances

All claims for additional hours and expenses are reviewed monthly and must be approved by the Principal.

All staff claims for expenses are processed through the Academy's payroll provider. The authorisation of a claim shall be taken to mean that the certifying person (the Principal) is satisfied that the expenses:

- comply with the Academy's rates, regulations and procedures.
- were properly and necessarily incurred on the Academy's behalf.
- have been calculated correctly.
- have not previously been passed for payment.

All member and trustee claims for expenses are processed as invoices in accordance with Section 9 of this manual through the Academy's accounting system. The authorisation of a claim shall be taken to mean that the certifying person is satisfied that the expenses:

- comply with the Academy's rates, regulations and procedures.

- were properly and necessarily incurred on the Academy's behalf.
- have been calculated correctly.
- have not previously been passed for payment.

All staff claims for expenses must be authorised by the Principal and all member and trustee claims for expenses must be authorised by the Chair of Trustees.

Principal claims for expenses are authorised by the Head of Finance and Operations and periodically presented to the Chair of Trustees. Any Chair of Trustees claims for expenses are authorised by the Head of Finance and Operations.

8.4 Payments

After payroll has been processed the reports of salary payments is reviewed and any anomalies are checked by the Head of Finance and Operations and then approved by the Principal.
All salary payments to staff members are made by BACS.

Payroll automatically calculates the deductions from payroll to comply with current legislation. The major deductions are for tax, national insurance contributions, pensions and childcare allowance. The amounts are summarised on the gross to net pay print and BACS payments are then set up for these payments to be paid.

After the payroll has been processed the nominal ledger is then updated with the information by the Head of Finance and Operations. Postings will be made to both the payroll control accounts and to the individual cost centres.

8.5 Senior Executive Pay Approval Threshold (£174,000)

In accordance with DfE requirements, from **1 October 2026**, for any new appointments where senior executive remuneration is expected to exceed **£174,000** (or the pro rata equivalent for part-time staff), or where performance-related pay exceeds **£25,000**, prior written approval **must** be obtained from the DfE before the post is advertised.

8.6 Publication of Pay on School Website

The Academy publish on its website, in a readily accessible form, the number of employees (and off-payroll workers earning over £100,000) whose total benefits exceeded **£100,000** in **£10,000 bandings** for the previous financial year ended 31 August. Total benefits include gross salary, employer pension contributions, taxable benefits, and termination payments.

8.7 Electric Vehicle Salary-Sacrifice (EVSS) Schemes

The Academy may offer an **Electric Vehicle Salary-Sacrifice (EVSS)** scheme to eligible staff without prior DfE approval, provided that comprehensive, documented mitigations are in place to ensure that no financial cost or liability falls on the Academy if an employee fails to fulfil their contractual obligations with the provider, and provided the Academy is not under a DfE Notice to Improve (NtI).

8.8 Pension Scheme Governance & Alternative Pensions

The Academy complies with Teachers' Pension Scheme (TPS) and Local Government Pension Scheme (LGPS) regulations. Effective **1 October 2026**, if the Academy proposes to offer any alternative pension scheme to the TPS or LGPS, it **must** seek prior formal approval from the DfE early in the planning stage before any proposed changes are communicated to staff or implemented.

8.9 Special Staff Severance Payments & Confidentiality Clauses

Any non-statutory or non-contractual element of a staff severance payment of **£50,000 or more** (gross), any exit package of **£100,000 or above** incorporating a special severance payment, or any special severance payment for an employee earning over **£174,000**, requires prior approval from the DfE. Furthermore, **confidentiality clauses** associated with special severance payments are deemed novel, contentious, or repercussive and **must not** be used without prior DfE sign-off. No confidentiality clause may restrict an individual's satutory right to make a protected whistleblowing disclosure under the Public Interest Disclosure Act 1998."

9 PURCHASING – Including Expenditure Limits

The Academy wants to achieve the best value for money from all our purchases. The integrity of these funds is maintained by following the general principles of:

- **Probity,** it must be demonstrated that there is no corruption or private gain involved in the contractual relationships of the Academy
- **Accountability,** the Academy is publicly accountable for its expenditure and the conduct of its affairs
- **Fairness,** that all those dealt with by the Academy are dealt with on a fair and equitable basis

Limits

Below £10,000	Principal / Head of Finance and Operations and best value (BV)
£5,000	Head of School (In absence of Principal) & BV
£10,001 – £15,000	Principal, three quotes & BV
£15,001 - £50,000	Finance Committee, three quotes & BV
£50,001 and above	Formal Tender Process initiated, Full Board of Trustees BV - Any purchase or service estimated to cost over £50,001 is put to formal tender. In the case of major building works or construction, the services of an architect / project manager are sought before the tendering process is undertaken

SLAs / rolling contracts can be agreed up to a maximum of 5 years.

In the case of Principal absence the Head of School assumes the overseeing of expenditure; with a limit set at £5,000. The Head of School must consult with the Chair of Trustees, in the first instance, with regard to spending over £5,000, and the Chair of Trustees' decision is final.

The Chair of Trustees will counter-sign any Head of School expenditure made in the Principal's absence.

9.1 Requisitions / Purchases

It is the Academy's policy not to raise purchase orders as requisitions for the supplies of good and services should be sent / requested for authorisation and processing to:

- Principal.
- Head of Finance and Operations.
- Head of School.

who will authorise and order goods and services in accordance with the limits set out in 9.0 above.

Consideration is always given to ensure best value for money and that better value for money can be obtained by ordering from a supplier not previously used. This is achieved via:

- All purchases must reflect value for money and for single items in excess of £10,000; prices must be compared from at least three suppliers.
- Three quotes must be obtained for items and work in excess of £10,000 but less than £15,000
- Three quotes must be obtained for items and work in excess of £15,000 but less than £50,000 along with the consultation of the Personnel and Finance Committee
- For items of expenditure in excess of £50,000, the procedures on tenders and quotations as detailed in section 10 of this manual should be implemented

Criteria taken into account when placing orders for goods and services are price, quality, reliability, after-sales service, value for money and speed of delivery.

9.2 Procurement

Procurement of goods and services provided by or to individuals or organisations related to the Academy trust must adhere to the following:

- There should be no conflicts of interest
- There should be no personal gain by trustees or senior staff members
- No payments should be made to a trustee outside the Academies articles
- The Chair of Trustees and Accounting Officer must ensure their capacity to control and influence does not conflict with these requirements, and should avoid both real and perceived conflicts of interest
- The trust must keep sufficient records, and make sufficient disclosures in their annual accounts, to show that

transactions with these parties have been conducted in accordance with the high standards of accountability and transparency required in the public sector

- The trust must report all related party transactions with the DfE which are greater than £40,000 obtaining prior approval via use of the DfE's online form

9.3 Goods Received

The Finance Administrative Team are responsible for ensuring that the goods or services received comply with the order specification. Delivery notes shall be checked and signed by the person checking-in the delivery. The supplier / carrier shall be notified of shortages or rejected items.

9.4 Payment of Invoices

Invoices and credit notes received are input onto Hoge100 by the Finance Administration Team in accordance with 9.0 to 9.3 above.

The Finance Administration Team checks prices, calculations, discounts and VAT are correct prior to input on Hoge100 *(Physical invoices are then scanned and uploaded to Hoge100 and destroyed after 12 months).*

Invoicing Authorisation and Payment:

1) The Head of Finance and Operations generates a suggested payments report, checking that the validity of proposed payments are correct
2) The suggested payment report is approved by the Principal
3) The Head of Finance and Operations generates remittance advice for creditor and circulates via email.
4) The Head of Finance and Operations generates a BACS report from Hoge100 and uploads onto the online banking system
5) The Head of Finance and Operations initially authorises the BACS online (Part 1) and prints a physical copy of the bank copy of the BACS report for the Principal
6) The Principal validates all payments on the bank BACS report in accordance with the suggested payment reports and BACS listing and then signs the paper copy and authorises the BACS payment online (Part 2) in accordance with the banking mandate
   (The physical signed paper copies are then scanned and uploaded to the Academy's Finance Server and destroyed)

Cheques *The Academy operates as a cashless organisation and does not use cheques for standard day-to-day payments. However, should an exceptional circumstance require a cheque payment, the cheque must be signed by both the Head of Finance and Operations and the Principal to be valid. Our bank (Lloyds) does not issue blank cheques anymore.*

9.5 Procurement Compliance & Mandatory DfE Frameworks

All procurement activities must comply with the Procurement Act 2023 and associated public procurement regulations, using the Find a Tender service where statutory thresholds are met. In addition, the Academy must utilize mandatory DfE commercial buying routes unless a compliant alternative offering equal or better value for money is in place:

1. Supply Staffing: The Academy will use the Government Commercial Agency Supply Teachers and Education Recruitment framework unless an alternative compliant agreement with equal or lower rates exists.

2. Energy for Schools: Energy contract renewals must be procured through the DfE Energy for Schools service or a DfE-approved energy deal. The Academy currently use the approved WME contactor.

3. Management Information System (MIS): Following the launch of the DfE MIS framework (planned for September 2027), any new MIS contract must be awarded under the DfE framework. Any contract extensions prior to launch must not exceed 12 months. Current Academy MIS: Arbor which is on an annual renewal basis.

9.6 Prohibition on the Purchase of Alcohol

Academy grant funds must not be used under any circumstances to purchase alcohol for consumption, except where alcohol is required strictly for religious services.

10. TENDERING PROCEDURES

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

Open tender: This is where all potential suppliers are invited to tender.

The Finance Committee decides how best to advertise for suppliers e.g. press, trade journals or to identify all potential suppliers and contact directly if practical.

This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

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

Restricted tenders are appropriated where:

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

Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers.

This is appropriate in specific circumstances:

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

10.1 Preparation for Tender

Full consideration should be given to:

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

It may be useful after all requirements have been established to rank requirements (e.g. mandatory).

10.2 Invitation to Tender

If a restricted tender is to be used an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry. An invitation to tender should include the following:

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

10.3 Aspects to Consider

Financial

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

Technical / Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality / conformity with standards
- Quality control procedures

Other Considerations

- Presales demonstrations
- After sales service
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

10.4 British Standards

Where an appropriate British Standard specification or British Standard Code of Practice issued by the British Standards Constitution is current at the date of the tender, every contract shall require that all goods and materials used or supplied and all workmanship shall comply with, or in terms of fitness or suitability for the purpose, safety, durability, finish and appearance to be at least equivalent to standard.

10.5 Preventing Collusion

Before entering into a contract which has been the subject of the invitation of tenders, there shall be obtained from the contractor an assurance in writing that he / she will not follow or has not followed in relation to the contract, the under mentioned practices:

- *communicating to anyone other than the person calling for tenders the amount of any proposed tender in accordance with any agreement or arrangements so to communicate, or*
- *adjusting the amount of any proposed tender in accordance with any agreement or arrangement by the proposed tender and any person other than the person calling for tenders*

10.6 Corrupt Practices

There shall be inserted in every written contract a clause empowering the Board of Trustees to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor or any person acting on their behalf whether employed by the contractor or not and whether acting with or without the knowledge of the contractor shall have made any arrangement or agreement with any third party which required either party;

- to fix or adjust their tender price or
- refrain from tendering or shall have communicated to any person, except the local manager, the amount or approximate amount of his tender otherwise than in confidence to obtain premium quotations for insurances or a bond
- given, agreed to give, offered to give or promised any person (directly or indirectly for the benefit of that person or any other) any gift, loan, fee, reward or other consideration or otherwise on account of such person having done, agreed or forborne to do anything in relation to any other tender or proposed tender for any contract, or
- shall show favour or disfavour to any person in relation to any contract with the Board of Trustees

For the purposes of these regulations the word 'person' includes any person or any organisation or association corporate or incorporate and informal whether or not legally binding.

10.7 Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the Academy. Tenders should be submitted in plain envelopes / emailed (where requested) clearly marked / subject headed to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after submission deadline should not normally be accepted.

10.8 Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- For contracts up to £50,000 – Head of Finance and Operations or the Principal
- For contracts over £50,000 – Head of Finance and Operations or the Principal plus a member of the Finance Committee

A separate record should be established to record the names of the firms submitting tenders and the amount tendered and this record must be signed by both people present at the tender opening.

10.9 Tender Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest, then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.
Full records should be kept of all criteria used for evaluation and for contracts over £50,000 a report should be prepared for the Finance Committee highlighting the relevant issues and recommending a decision. For contracts under £50,000 the decision and criteria should be reported to the Finance Committee. Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender.

The Academy tender should be the one that is most advantageous to the Academy. All parties should then be informed of the decision.

11. INCOME

- The main source of unrestricted income for the Academy is from extended services. The receipt and administration of these sums is monitored by the Finance Administration Team and Head of Finance and Operations.
- The Head of Finance and Operations is responsible for the reconciling of the extended services income against ArborPay, Square and childcare vouchers on a monthly basis
- The Finance Administration Team is responsible for processing ArborPay, Square and childcare voucher income and refunds received / paid in the Academy's bank account
- Reconciling of the income against the bank statements, is performed on a monthly or basis by the Head of Finance and Operations
- The Head of Finance checks the payments received and reconciles the bank statements thus creating a segregation of duties and ensuring accuracy. However there will be exceptional times / circumstances that the Head of Finance and Operations may have to process transactions due to school holidays and staff absence
- In the event of an outstanding payment which exceeds the payment date, the Debt Policy is applied

Collection of Dinner Money Income:

- The collection and reconciliation of dinner money is the responsibility of the Finance Administration Team. All monies are recorded directly onto ArborPay. The Finance Administration Team maintains the school lunch records and directly communicates to all parents in this regard
- Dinner Money is received weekly, in advance
- The Finance Administration Team is responsible for all refunds of dinner money via ArborPay
- The Finance Administration Team monitors the receipt of dinner money, and the Head of Finance forecasts the long-term balances based on the Finance Administration Team recorded information
- In the event of an outstanding payment which exceeds the acceptable time limit, the Debt Policy is applied
- Staff dinner payments are calculated and recorded by the Finance Administration Team and payments are made via AborPay or Card. VAT output tax must be recorded on the payments received
- The Head of Finance and Operations reconciles ArborPay and Square payments to the bank statements

11.1 General Income

All other receipts should be accounted for as they are banked (or as the Academy is notified of bank transfers) and supporting documentation retained for audit.

The Head of Finance and Operations is responsible for the handling of all monies. The Head of Finance is responsible for input of most data and for all reconciliations to the bank statements. All bank accounts are reconciled on at least a monthly basis.

11.2 Trips / Visits

School visits payments are made via ArborPay; this would be set up by the Finance Administration Team.

A payment report is to be produced, via ArborPay, by the Finance Administration Team and a copy given to the class teacher / visit lead to let them know permissions for trips and payments made.

The Finance Administration Team will chase for outstanding payments following The Bad Debt Policy procedure.

11.3 Lettings Income

The Board of Trustees determine the terms and conditions for lettings.

The scale of charges for lettings and / or for the use of facilities are based on covering costs (see section 11.4) and must be approved by the Principal in writing. Free use and charges below economic cost must be authorised by the Principal.

The Head of Finance and Operations sends an invoice requesting payment for all lettings.

Income from lettings is to be credited to the Academy's bank account.

11.4 Lettings Charges

Refer to Lettings Policy and Charges.

11.5 Credit Control

The sales ledger is reviewed on a regular basis by the Finance Administration Team. Any outstanding balances shall be identified and the debtor followed up with a series of telephone calls / emails to enable prompt payment. Details of any follow-up action, including telephone conversations, shall be recorded.

Once the debtor becomes more than two weeks overdue, the Bad Debts Procedure is applied. In serious cases of non-payment, the matter shall be referred to the Head of Finance and Operations and Principal who may then decide to take legal action.

During this period, any debt will be treated on a pessimistic basis in terms of the accounts. i.e. bad debt provision set aside and approved by the Finance Committee.

11.6 Custody

All cash and cheques must be kept in a secure place, agreed but not stated in the manual, for security purposes, or the safe prior to banking. Banking should take place as soon as possible.

Monies collected must be banked in their entirety in the appropriate bank account. The Head of Finance and Operations is responsible for preparing reconciliations between the sums collected and the sums deposited at the bank.

The Head of Finance and Operations is responsible for posting the banking onto the finance system.

11.7 Write-offs and Bad Debts

Approval of the Principal / Board of Trustees is required before bad debts are written off. Details of any approved bad debt write offs are recorded on ArborPay by the Head of Finance and Operations.

12 CASH MANAGEMENT

The opening of all bank accounts must be authorised by the Board of Trustees. The operation of systems such as Bank Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

12.1 Deposits

Particulars of any deposit should be entered on a copy paying-in slip, counterfoil or listed in a supporting book. In the case of depositing cheques through on-line applocations, a photograph of the front and back of the cheque should be taken. The details recorded should include:

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

12.2 Administration

The Head of Finance and Operations must make sure that all bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:

- All bank accounts are reconciled to the Academy's cash book
- Reconciliations are presented to the Principal and signed

- Adjustments arising are dealt with promptly

12.3 Petty Cash

Currently, Lacey Green Primary Academy does not operate a cash box petty cash imprest.

12.4 Cash Flow Forecasts

The Head of Finance and Operations is responsible for producing and reviewing cash flow forecasts to ensure that the Academy has sufficient funds available to pay for day-to-day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds.

12.5 Investments

Any investments must be approved by the Board of Trustees.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of the purchase, the cost and depreciation of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

13. CASH SECURITY

Monies shall not be counted in public view or left unattended, even temporarily.

Safes shall be kept locked except when in use to deposit or remove monies or other items. Safe keys must be held by responsible persons at all times.

Post-dated cheques must not be accepted for payment.

Where cheques are taken as payment, adequate supporting details shall be entered on the reverse side to connect the payment with the debt.

In instances where a receipt is issued for an incorrect amount then:

- An additional receipt shall be issued for any under-receipted monies
- A new receipt shall be issued for any over-receipted monies and the original receipt cancelled
- The cancelled receipt must be retained

14 CHARGE CARDS

The Academy has one business charge card account with a maximum credit limit of £30,000 which is attributed to four card holders detailed below:

Account Holder	Named Cardholder	Limit
Principal	Mr Steve Shaw	£15,000
Head of Finance and Operations	Mr Neil Bailey	£10,000
Head of School	Mr Tom Copland	£2,000
Caretaker	Mr Billy Shaw	£2,000
English Hub Lead	Miss Kerri Hall	£1,000

When charge cards are not in use, each holder should retain their card in a safe place.

Charge cards should only be used for Academy purposes, and when used the cardholders should obtain a receipt which should be forwarded to the Head of Finance and Operations who checks that the purchase matches the charge card statement entry (The physical receipts are then scanned and uploaded to the Academy's Finance Server and destroyed).

On receipt of the monthly charge card statement of account:

- The Caretaker's transaction listing is reviewed by the Head of Finance and Operations
- The Head of School's transaction listing is reviewed by the Principal
- The Head of Finance and Operations' transaction listing is reviewed by the Principal
- The Principal's transaction listing is reviewed by the Head of Finance and Operations

For each calendar month end, the nominal ledger is updated with the information held by the Head of Finance and

Operations. Postings will be made to both the charge card control account and to the individual cost centres.

The Principal regularly oversees that charge transactions are being checked appropriately and signed off as part of the charge card reconciliation routine.

All balances must be cleared before interest accrues.

15 FIXED ASSETS

15.1 Asset Register

All items purchased with a value over the Academy's capitalisation limit must be entered in an asset register.
The register should include the following information:

- Asset description
- Date of acquisition
- Asset cost
- Expected useful economic life
- Depreciation
- Current book value

The asset register helps to:

- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- Manage the effective utilisation of assets and to plan for their replacement
- Help the external auditors to draw conclusions on the annual accounts and the Academy's financial system
- Support insurance claims in the event of a fire, theft, vandalism or other disasters

15.2 Security of Assets

Stores and equipment must be secured by means of physical and other security devices.

Appropriate items in the register should be marked as the Academy's property and there should be a regular review by Head of Finance and Operations and the Principal.

Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Board of Trustees. Inventories of Academy property should be kept up to date and reviewed regularly. Where items are used by the Academy but do not belong to it, these should be noted.

15.3 Disposals

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

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence that the Academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Academy would need to ensure licences for software programs have been legally transferred to a new owner.

The Academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other Academy assets. If the sale proceeds are not reinvested then the Academy must repay to the DfE a proportion of the sale proceeds. All disposals of land must have approval from the DfE.

16. COMPUTER SECURITY

The Academy's computer security policy shall ensure that the Academy complies with statute and that the following fundamental principles are satisfied:

- protect confidentiality
- ensure data integrity
- maintain system availability
- assign responsibility and accountability
- audit ability
- follow good management practices

The legal obligations the Academy must comply with include:

- The Data Protection Act 1998
- The Copyright (computer software) Amendment Act 1985
- The Computer Misuse Act 1990
- GDPR 2018

Computer security is the responsibility of the Academy and JTRS (IT Support Provider). The implementation of any security procedure is, however, the responsibility of each and every system user within the Academy.

Computer security policies and procedures fall into the following categories:

- Physical Security Controls (see 16.1)
- Password Security (see 16.2)
- File and Media Management (back up procedures) (see 16.3)
- Systems Development and Maintenance (see 16.4)
- P. C. Controls (see 16.5)

16.1 Physical Security Controls

Access to computer facilities are restricted to those members of staff who are required to use them during the course of their work and who have been authorised by management. JTRS IT Support Provider is responsible for controlling the level of access to the system.

A register of users and access levels shall be compiled and maintained by JTRS IT Support Provider.

Appropriate arrangements shall be made to minimise physical risks to the computer equipment arising from excessive heat, fire, water and accidental damage.

16.2 Password Security

All authorised system users are allocated a unique username which permits them access only to those modules necessary to perform their duties.

Each user is responsible for ensuring the security of their password in order to prevent unauthorised access. They shall be held responsible for any transactions performed under their passwords.

User passwords should be:

- difficult to guess
- at least 10 characters in length
- changed regularly - preferably annually

16.3 System Development and Maintenance

All system enhancements and program additions shall be approved and prioritised by the Senior Management Team.

All system changes shall be documented and adequate testing carried out by key system users prior to any implementation.

16.4 P.C. Controls

Only computer programs approved by the SLT are authorised for use on any of the Academy's computers.

The Academy shall not tolerate illegal duplication of software and shall instigate disciplinary measures against any person engaging in such activity. In line with UK copyright law and international treaty, any unauthorised software found shall be destroyed.

No software is permitted to be used on the network unless it has express approval of the Principal. Should a virus be detected the user should notify JTRS IT Support / SLT as soon as is possible.

17. INSURANCE

The Finance Committee shall be responsible for developing an insurance strategy which identifies the risks facing the Academy, the types of insurance cover to protect against these risks and the level of cover proposed at a minimum must meet the statutory levels as set out by the DfE.

The Principal shall also have the delegated power to authorise any additional or temporary insurance to meet further risks that may arise during the year.

The Principal must be notified immediately in writing by staff members of any loss, liability or damage or any event likely to lead to a claim by the Academy or by third parties against the Academy or any of the members of staff and shall take such action as may be necessary to satisfy any insurance policy condition.

18. RETENTION OF RECORDS

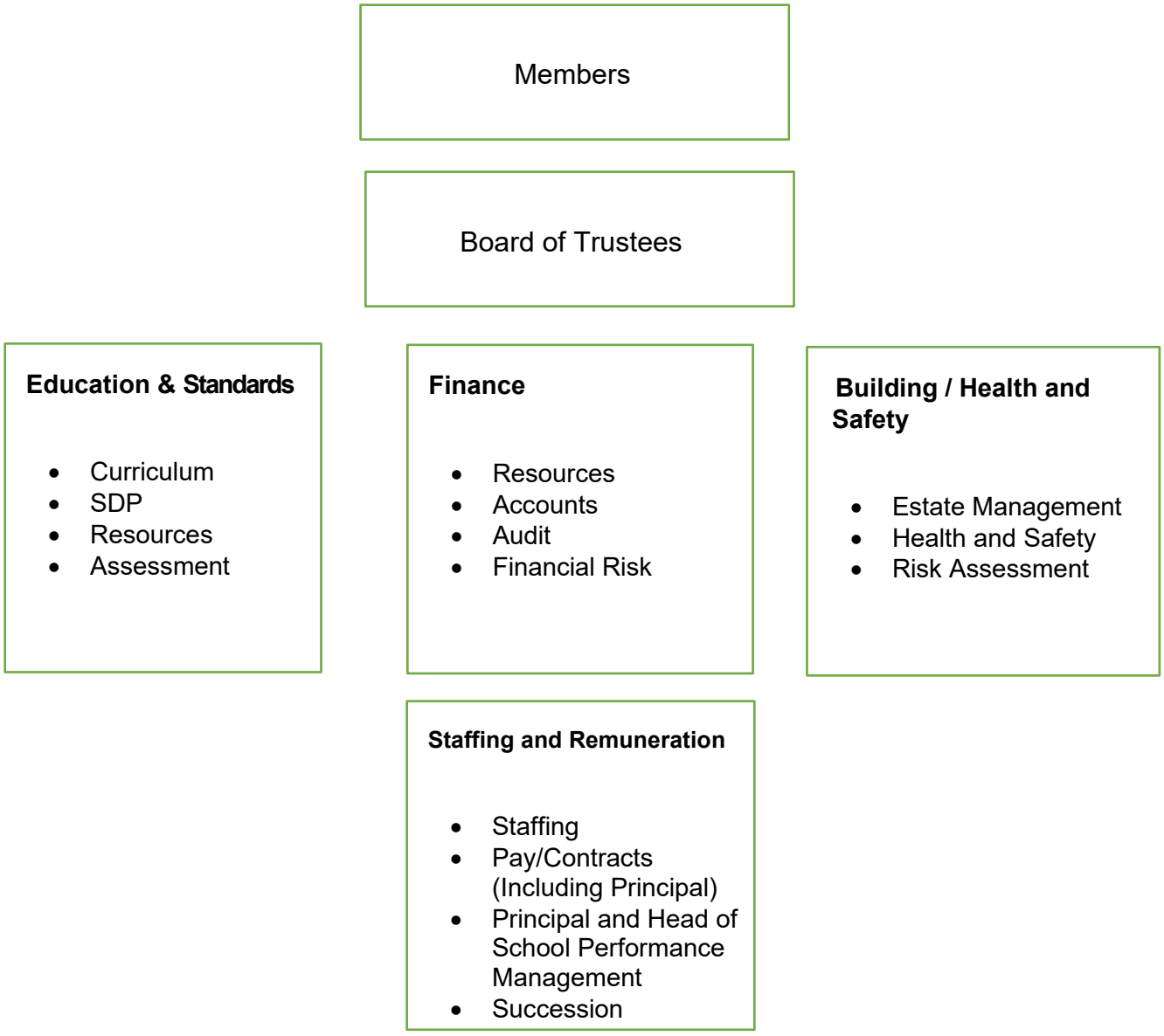
All accounting and financial records of the Academy shall be kept for a minimum period of six years from the end of the accounting year to which they relate. These may consist of official purchase invoices, remittances, bank statements, copies of receipts , asset registers, annual accounts, returns to the DfE etc.

The proper retention of financial records is the responsibility of the Head of Finance and Operations. The storage of records shall comply with the requirements of the DfE that important documents are kept in a secure location.

Appendix A

Structure of the Academy / Board of Trustees

Note: Appeals committees for admissions, pupil discipline, complaints and staff dismissal are formed as required



Appendix B

DOCUMENT CONTROL

Compiled/Reviewed	Policy:	Compiled by:	Review:
January 2025	Finance Manual General Review	N Bailey / S Shaw	Approved by Finance, Resources, Audit and Risk Committee
October 2025	Finance Manual General Review	N Bailey / S Shaw	Approved by Pre-Autumn Full Governing Body Business Meeting
February 2026	Finance Manual Charge card change	N Bailey / S Shaw	Approved by Finance, Resources, Audit and Risk Committee
November 2026	Finance Manual Payroll Amendments – Section 8 Procurement Amendments / Cheque Clarification – Section 9	N Bailey / S Shaw	Approved by Pre-Autumn Full Governing Body Business Meeting