



FINANCIAL REGULATIONS

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1. INTRODUCTION

- 1.1 The Lincoln College Academy Trust is an educational trust as referred to in the Academies Act 2010, as amended by the Education Act 2011. Its structure of governance is constituted under the articles of association.
- 1.2 The Trust is an exempt charity by virtue of the Charities Act 2011.
- 1.3 The Trust currently constituted as a Multi-Academy Trust (MAT) although it has only one academy: The Gainsborough Academy. This agreement has the consent of the Regional Schools' Commissioner.
- 1.4 Lincoln College is the Sponsor of Lincoln College Academy Trust
- 1.5 The funding agreement between the funding body and the Trust sets out the terms and conditions on which the grant is made. The governing Board of Trustees are responsible for ensuring that conditions of the grant are met. As part of this process the Trust is required to have in place sound financial systems and controls. The financial regulations of the Trust form part of this overall system of accountability.
- 1.6 The purpose of these regulations is to ensure that the Academy Trust maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Education & Skills Funding Agency (ESFA: formerly the EFA).
- 1.7 The Academy Trust must comply with the principles of financial control outlined in the Academies Financial Handbook published by the ESFA. This manual expands on that and provides detailed information on the Academy Trust's accounting procedures and systems. This manual should be read by all staff involved with financial systems. In the event that there are requirements or revisions by the ESFA which are not met by the most up to date version of the Regulations then the provisions of the latest Academies Financial Handbook or the Funding Agreement will take precedence.
- 1.8 The Financial Regulations are designed to be used by all budget holders and for all those with a responsibility for the Academy Trust's finances and its assets.
- 1.9 This document will be updated from time to time or have additional guidelines issued. Additional information should be filed and regarded as an extension to this document.
- 1.10 Every primary budget holder and manager has a responsibility to ensure that they and their staff comply with the regulations outlined in this document. Please therefore refer to the regulations when guidance is required.

2. ORGANISATION

General

- 2.1 By approving the Regulations the Academy Trust has ensured financial oversight and defined the responsibilities of the Trust Board, committee and person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for directors and staff.
- 2.2 Compliance with the financial regulations is compulsory for all staff connected with the Trust. A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the Academy Trust's disciplinary policy. Any such breach will be notified to the Board of Trustees through the Finance and Audit Committee. It is the responsibility of the Principal, Senior Leadership Team (SLT) members and finance staff to ensure that staff are made aware of the existence and content of the Trust's financial regulations.

The Trust

- 2.3 The Board of Trustees is responsible to the Department for Education (DfE) for the governance of the academy. It has overall responsibility for the administration of the Academy Trusts' finances. The main responsibilities of the Trust are prescribed in the Funding Agreement between the Academy and the ESFA and in the Academy Trust's Scheme of Governance. The main responsibilities include:
- ensuring that the Academy Trust's funds are used in accordance with law, the board's powers under the funding agreement and ensuring that the academy complies with the Academies Financial Handbook;
 - ensuring that it has proper stewardship of the funds at its disposal and for ensuring economy, efficiency and effectiveness in their use;
 - preparing financial plans so as to secure its short-term and long-term financial health, and approval of the annual budget;
 - appointment of the Principal and other Senior Post Holders;
 - appointing a clerk who is someone other than a trustee, governor, or the Principal of the academy in the Trust;
 - approving a written scheme of delegation of financial powers;
 - to have in place sound internal controls and a risk management process, and approve the Trust's strategic plan;
 - approve the annual financial statements.

The Accounting Officer

- 2.4 The appointment of an Accounting Officer does not remove the responsibility of Trustees, both individually and as a Board, for the proper conduct and financial operation of the Trust.

- 2.5 The Accounting Officer is responsible for the day-to-day organisation, staffing and management of the academy trust. The Accounting Officer must undertake a leadership role; including setting high standards of financial probity and financial management, and ensuring that these are communicated to staff.
- 2.6 The Accounting Officer must assure the trust board of the academy's compliance with the requirements of the Academies Financial Handbook the ESFA issues, its funding agreement and all relevant aspects of company and charitable law. This means that they must ensure that Trust Board receives the information that it needs to perform its role effectively.
- 2.7 The role of Accounting Officer includes specific responsibilities for financial matters. It includes a personal responsibility to Parliament, and to the ESFA's Accounting Officer, for the financial resources under the Trust's control. Accounting Officers must be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly:
- **Regularity** – dealing with all items of income and expenditure in accordance with legislation, the terms of the Trust's funding agreement and this handbook, and compliance with the Trust's internal procedures. This includes spending public money for the purposes intended by Parliament;
 - **Propriety** – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of parliamentary control. This covers standards of conduct, behaviour and corporate governance; and
 - **Value for money** – this is about achieving the best possible educational and wider societal outcomes, within the Trust's objects, through the economic, efficient and effective use of resources, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is to achieve value for money not only for the Trust but for taxpayers generally.
- 2.8 The designated Accounting Officer must ensure that proper financial records and accounts are kept, and there is appropriate oversight of financial transactions including:
- ensuring that bank accounts, financial systems, and financial records are operated by more than one person;
 - keeping full and accurate accounting records;
 - preparing accruals accounts, giving a true and fair view of the Trust's incoming resources and application of resources during the year, and the state of affairs at the year-end, in accordance with the existing accounting standards;
 - approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trust Board has agreed should be approved by them;
 - authorising contracts between £1,000 and £5,000;
 - signing cheques and authorising BACS payments in conjunction other authorised signatories.
- 2.9 The Accounting Officer is also responsible for Risk Management, and ensuring opportunities are not overlooked.

Chief Financial Officer

2.10 The Chief Financial Officer is responsible to the Accounting Officer for the day-to-day financial affairs of the Trust. The main responsibilities are:

- preparing the annual accounts;
- preparing and monitoring the budget;
- provision of technical advice to the Trust;
- liaison with the auditors.

2.11 CIPFA makes the following recommendations with regards to the role of the Chief Financial Officer in Academies:

- The Trust should clearly designate an employee in the role of CFO who has a direct reporting line to the Accounting Officer;
- The CFO should be a key member of the senior management team with a status equivalent to other team members;
- The CFO must be involved in, and able to bring influence to bear on, all material business decisions;
- The CFO must lead the promotion and delivery by the whole organisation of good financial management;
- The CFO must lead and direct a finance function that is resourced to be fit for purpose;
- The CFO would benefit from being professionally qualified and must be suitably experienced.

Academy Trust Committees

2.12 The Trust has ultimate responsibility for the Trust's finances, but delegates specific powers and processes to the committees detailed below. These committees are accountable to the Trust. The Clerk will retain details of the terms of reference and composition of each committee.

2.13 The Finance and Audit Committee

- To advise the Academy Trust on the adequacy and effectiveness of the Academy's internal control systems and their arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
- To advise the Academy Trust on the appointment, reappointment, dismissal and remuneration of the financial statements and regularity auditor and the internal audit service (IAS).
- To advise the Academy Trust on the scope and objectives of the work of the IAS, and ensure effective coordination between the IAS, the funding auditor and the financial statements and regularity auditor including whether the work of the funding auditor should be relied upon for internal audit purposes.

- To consider and advise the Trust on the audit strategy and internal audit plans for the IAS.
- To consider and advise the Academy Trust on the findings of control issues included in the management letters of the financial statements auditor and funding auditor, and management's responses to these.
- To consider the financial statements when considering the financial statement auditor's management letter.
- To ensure that all allegations of fraud and irregularity are properly followed up.
- To make recommendations to the Trust Board on the strategy on budgets, long, medium and short-term finances, fees and charges, estimates of income and expenditure.
- To receive budget and financial monitoring information on the Academy within the Trust.
- To monitor the achievement of financial performance indicators and advise the Trust Board accordingly.
- To perform an initial review, and recommend to the Trust Board the approval, of the annual budget and financial plan.
- To ensure the annual report and financial statements are produced in accordance with the Companies Act 1985 and the Academies Financial Handbook.
- To make recommendations to the Governing Body on the Human Resources strategy and operation.
- To authorise the award of contracts over £5,000.

2.14 Governing Bodies

The Academy in the Trust has no separate Governing Body. The responsibilities of a Governing Body are fulfilled by the whole Board since there is only one Academy in the Trust.

Budget Holders

- 2.15 Budget holders are responsible to the Principal of the Academy for financial management in their own areas, and have delegated responsibilities outlined in these regulations for the control and disbursement of budgets allocated to them by the Principal.

All Members of Staff

- 2.16 All staff must be aware of and have a general responsibility for the security of the Trust's property, for avoiding loss and due economy in the use of resources. 2.17 All staff should ensure that they are aware of the authorised financial signatories and the values of purchases for which quotations and tenders are required as set out in the Trust's Procurement Policy

- 2.18 Other members of staff may have specific financial responsibilities primarily the Finance Staff, and Budget Holders, detailed in the following sections of these regulations.

Register of Interests

- 2.19 It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Trustees, Governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. The register is open to public inspection.
- 2.20 The register should include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a trustee, governor or a member of staff by that person.
- 2.21 The existence of a register of business interests does not, of course, detract from the duties of trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Trust Board or a committee. Where an interest has been declared, Trustees Governors and staff should not attend that part of any committee or other meeting.

3. ACCOUNTING SYSTEM & RECORDS

- 3.1 The accounts of the Trust will be prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.
- 3.2 The statutory accounts of the Trust will be prepared in accordance with the provisions of the Statement of Recommended Practice “Charities”, subject to any specific requirements of the funding body, and in accordance with the provisions of the Companies Act 1985.
- 3.3 The Academy will maintain central accounting records using appropriate financial systems for the Trust. These records will form the basis of all financial information used by the Trust.
- 3.4 The Finance Officers at the academy are responsible for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.
- 3.5 Where appropriate, arrangements for the retention of electronic records will be made.
- 3.6 The Trust is required by law to retain prime documents for six years. Additionally, for auditing and other purposes, other financial documents should be retained for three years or as determined by the funder. Members of staff should ensure that retention arrangements comply with any specific requirements of funding organisations.
- 3.7 All financial transactions of the Academy Trust must be recorded on the financial management accounting system. The system is operated by the Finance Staff and consists of:
 - Purchase Ledger
 - Sales Ledger
 - Nominal Ledger
 - Budget Enquiry Information
 - Cash Book
- 3.8 Payroll transactions of the Academy will be processed via the contracted payroll provider.
- 3.9 Entry to various system components can be restricted and the Accounting Officer shall be responsible for setting appropriate access levels for system users.
- 3.10 The Academy is responsible for ensuring that effective back up procedures are in place, that back-ups are taken regularly and that appropriate security is in place for the storage of back up media.
- 3.11 The Accounting Officer, in conjunction with the Sponsor, should ensure that a disaster recovery plan is prepared in the event of the loss of accounting system facilities or data. This should link to the regular assessment of major risks to which the Academy Trust is exposed and systems which have been put in place to mitigate those risks.
- 3.12 All transactions input into the accounting system must be authorised in accordance with procedures specified in these regulations.

- 3.13 All journal entries must be documented and authorised by the Accounting Officer before being input into the accounting system. Adequate segregation of duties should be applied, splitting financial authorisation and processing.
- 3.14 Detailed information on the operation of both the accounting and payroll systems is provided via the relevant provider.
- 3.15 The Finance Staff at the Academy are responsible each month for ensuring that appropriate reconciliation accounts are produced.
- Sales Ledger Control Account
 - Purchase Ledger Control Account
 - Bank Reconciliation
 - Any Suspense Accounts.
- 3.16 A Reconciliation of the Payroll Control Account shall be maintained each month by the Academy Finance Staff.
- 3.17 Any unusual or long-standing reconciling items must be reviewed and investigated by the Academy Finance Staff.
- 3.18 The Accounting Officer at the Academy should have sight of the Bank Reconciliation and the Academy's bank balance(s) at least monthly.
- 3.19 Under the terms of the financial memorandum/funding agreement, the Board of Trustees is required to supply any person with a copy of the Trust's most recent financial statements within two months of a request. The Act enables the Trust to levy a reasonable fee and this will be charged at the discretion of the Accounting Officer. The Trust will also allow members of the public to inspect the statement of accounts during normal working hours, and make a summary available on the Trust's website.

4. FINANCIAL PLANNING

- 4.1 The Trust will establish the financial objectives that the Academy is to achieve in its financial planning and budget setting process. These objectives will be set in accordance with the Trust's approved strategic plan.
- 4.2 The Chief Financial Officer is responsible for preparing, annually, a financial forecast for approval by the Trust.
- 4.3 Long, medium and short - term financial plans will be prepared annually for the academy, usually on a rolling five year basis, for approval by the Trust Board on the recommendation of the Finance and Audit Committee. Financial plans should be consistent with the strategic plans approved by the Trust.

Annual Budget

- 4.4 The Chief Financial Officer, in conjunction with the Principal at the Academy, is responsible for the production of the Annual Budget. The budget will cover the 12 month period from 1 September to 31 August following and will comprise a minimum of income and expenditure budgets, capital budgets and a cash flow projection. Prior to issue, the budget will be subject to ratification by the Trust Board. The budget must be consistent with the educational and financial strategies of the Trust.
- 4.5 The approved budget must be submitted to the ESFA in a form specified by the ESFA by the notified deadline each year. The Accounting Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 4.6 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 clear links between the academy's improvement plan objectives and the budgeted utilisation of resources.
- 4.7 The budgetary planning process will incorporate the following elements:
- forecasts of the likely number of pupils and other funding drivers at the academy to estimate the amount of ESFA 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's cost base;
 - identification of potential efficiency savings;
 - review of the main expenditure headings in light of the academy's improvement plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.
- 4.8 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.

- 4.9 Once the different options and scenarios have been considered, a draft budget should be prepared by the Chief Financial Officer for approval by the Accounting Officer, the Finance and Audit Committee and Trust Board. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.
- 4.10 The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

Development Plan

- 4.11 The development plan is concerned with the future aims and objectives of the Academy and how they are to be achieved; that includes matching the Academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.
- 4.12 The form and content of the development 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 ESFA or DfE.
- 4.13 Each year the Principal of the Academy will propose a planning cycle and timetable to the Trust Board which allows for:
- A review of past activities, aims and objectives - "did we get it right?"
 - Definition or redefinition of aims and objectives – "are the aims still relevant?"
 - Development of the plan and associated budgets – "how do we go forward?"
 - Implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course" and
 - Feedback into the next planning cycle – "what worked successfully and how can we improve?"
- 4.14 The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Principal.
- 4.15 The completed development plan will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be measured.
- 4.16 For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to a member of the leadership team. This staff member should monitor performance against the defined success criteria throughout the year and report to the Senior Leadership Team on a quarterly basis. The Principal will report to the Trust Board if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

Monitoring and Review

- 4.17 Monthly reports will be prepared by the Finance and Business Manager, and reviewed by the Principal. The reports will detail actual income and expenditure against budget both for budget holders and for the Principal and the Finance and Audit Committee.
- 4.18 As a minimum, these management accounts will comprise a detailed income and expenditure account, and cash flow projection together with a commentary explaining any major variances.
- 4.19 Any potential overspend against the budget must in the first instance be discussed with the Accounting Officer. The accounting system will not allow commitments to be made against an overspent budget without the approval of the Accounting Officer.
- 4.20 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 any contingency. All budget virements over £5,000 must be authorised by the Finance and Audit Committee.
- 4.21 Copies of the management accounts will be made available to all members of the Trust Board, via the Clerk, by no later than the thirtieth working day following the end of the preceding month.
- 4.22 At the year end, budget holders will not have the authority to carry forward a balance on their budget to the following year unless the Accounting Officer has approved a specific scheme for carrying forward all or part of unspent amounts. Year end balances without a designated purpose will be transferred to reserves.

5. PAYROLL

5.1 The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments.

Staff Appointments

5.2 The Trust has an approved Human Resources service in place. Changes can only be made to this establishment with the express approval in the first instance of the Finance and Audit Committee who must ensure that adequate budgetary provision exists for any establishment change.

5.3 The Principal has authority to appoint staff within the authorised establishment except for Deputy Principals and other Senior Post Holders whose appointments must follow consultation with the Board. The Principal will maintain personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Academy finance staff immediately.

Payroll Administration

5.4 The Academy's payroll is administered by their nominated payroll provider.

5.5 All staff are paid monthly via BACS payment. A master file is created for each employee which records:

- salary;
- bank account details;
- taxation status;
- personal details; and
- any deductions or allowances payable.

5.6 New master files can only be created by the Sponsor's Payroll Provider with the express approval of the Academy Finance Staff. Any master file amendments made by the Sponsor's Payroll Provider must be authorised by the Academy Finance Staff or by the Principal.

5.7 The Principal will be provided with a monthly staff return which provides details for all staff sickness and other absences during the month and any new appointments or terminations.

5.8 The Sponsor's Payroll Provider will prepare and distribute a timetable for payroll processing specifying key dates for the month in question. The Senior Finance Officer collates, checks and forwards the claim forms to the Principal for approval in accordance with the timetable. Following approval documentation is sent the Sponsor's Payroll Provider for data inputting.

Payments

- 5.9 After the payroll has been processed but before payments are dispatched a print of net salary payments by individual and showing the amount payable in total should be obtained from the system. The print must be reviewed and authorised together with authority to release payment by the Chief Financial Officer and the Principal.
- 5.10 All salary payments are made by BACS.
- 5.11 The Academy Finance Staff should prepare a reconciliation between the current month's and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases etc. This should be verified by the Principal.
- 5.12 The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for Tax, National Insurance contributions and Pensions. The amounts payable are summarised on the gross to net pay print and payments for these amounts should be prepared by the Payroll Provider as part of the payroll process. Confirmation of the Payroll reconciliation shall be provided by the Chief Financial Officer to the Principal who shall authorise all deduction payments by the due date.
- 5.13 After the payroll has been processed the nominal ledger will be updated. Postings will be made both to the payroll control account and to individual cost centres by the Academy Finance Staff, who will review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.
- 5.14 On an annual basis the Principal must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file.

6. PURCHASING

- 6.1 The Academy Trust endeavours to achieve the best value for money from all purchases. A large proportion of purchases will be paid for with public funds and the integrity of these funds will be maintained by following the general principles of:
- **Probity**, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy Trust;
 - **Accountability**, the Academy Trust is publicly accountable for its expenditure and the conduct of its affairs;
 - **Fairness**, that all those dealt with by the Academy Trust are dealt with on a fair and equitable basis.

Scheme of delegation / financial authorities

- 6.2 The Principal is responsible for purchases within the academy. Purchasing authority may be delegated to named individuals within a department. In exercising this delegated authority, budget holders are required to observe the purchasing policies and financial procedures.
- 6.3 The Academy shall maintain a register of authorised signatories and all budget holders must supply a specimen signatures of those authorised to certify invoices for payment (for paper - based systems).
- 6.4 The Principal and budget holders are not authorised to commit the Trust to expenditure without first reserving sufficient funds to meet the purchase cost.
- 6.5 Budget holders will be informed of the budget available to them at least one month before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Details of actual expenditure against budget, including details of outstanding financial commitments where orders have been placed but goods and services not yet received or paid for, are available on the Financial Management system.
- 6.6 Routine purchases up to £1,000 can be ordered by budget holders. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Finance Staff. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Principal.
- 6.7 Purchases of up to £5,000 can be ordered by the Vice Principal, while the Principal is authorised to enter into commitments of up to £10,000.
- 6.8 For Purchases above £10,000 permission must be sought via the Finance and Audit Committee prior to the Academy Trust entering into any financial commitment.

Procurement Procedure

- 6.9 The Trust requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements and sustainability and equality legislation, and in accordance with sound business practice, taking into account framework agreements as appropriate.

- 6.10 All orders must be made using an official purchase order obtained via the Financial Management system. An order number and the order itself is only available once approval has been obtained from an authorised Budget Holder and when sufficient funds are in place.
- 6.11 For routine purchases, verbal (or other) orders must not be made to suppliers without an official order number. The only exception to this rule is for the order of emergency supplies or services which must be followed up with an official order as soon as practically possible.
- 6.12 Any items, which by their nature are incapable of being dealt with by the purchase order system (for example utilities) will be treated as direct payments. Invoices for direct payments will be registered and forwarded for authorisation as per 6.16.
- 6.13 The budget holder must make appropriate arrangements for the delivery of goods to the Academy. On receipt of goods or services the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed and resolved with the supplier of the goods without delay.
- 6.14 If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Staff should be notified. The Finance Staff will keep a central record of all goods returned to suppliers, and must be periodically kept up to date with progress of queries by the budget holder.
- 6.15 All invoices should be sent to the Finance Staff at the Academy. Invoice receipt will be recorded, and the invoice entered onto the Financial Management system, matched against the relevant purchase order.
- 6.16 Authorisation of invoices and purchase orders must be by an approved signatory as per the list of authorised signatories and will be taken to signify that:
- the expenditure is within an approved estimate or budget;
 - the goods and services have been (or will be) supplied to the Academy, and that payment is due;
 - the invoice is in accordance with the original order placed in terms of quantity and price (including discounts and credits);
 - the invoice has not previously been passed for payment;
 - the coding of expenditure, including any VAT charged, is correct.
- 6.17 The Finance Staff will generate a payment run for all authorised invoices, suppliers will be paid by BACS according to the credit terms provided. Then continue with the payment procedures and arrange for the update of the purchase ledger and generate the BACS payments. The BACS requisition and associated paperwork must be authorised by two of the nominated bank signatories in accordance with the Academy Trust's bank mandate. Remittance advices will then be e-mailed to the supplier.
- 6.18 In exceptional circumstances where a BACS payment is not possible, cheques will be dispatched to suppliers by the Finance Staff together with appropriate remittance advices.

- 6.19 The Academy Trust may, at the discretion of the Accounting Officer, issue staff with a Credit Card for official use.
- 6.20 All applications for Credit Cards must be signed by an appropriately authorised person, in accordance with the Academy Trust Financial Signatory Policy.
- 6.21 All Credit Cards will be used in accordance with the Trust Card Policy. Any expenditure incurred outside of the policy will remain the personal liability of the cardholder.
- 6.22 For credit card purchases, a request should be made and approved by a budget holder, the order is then placed by the Cardholder. At the end of the month, all documentation is attached to a journal which is then signed by the cardholder and the Principal. The cash book journal is processed by the Finance Staff and the relevant budgets debited.

Thresholds

6.23 Orders over £1,000 but less than £10,000

At least three written quotations should be obtained for all orders between £1,000 and £10,000 to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes and where possible electronic records or notes should be attached to the order within the Financial Management system. Telephone quotes are acceptable if these are evidenced and faxed confirmation of quotes have been received before a purchase decision is made.

6.24 Orders over £10,000

All goods/services ordered with a value over £10,000, or for a series of contracts which in total exceed £10,000 must be subject to formal procurement procedures as adopted by the Trust. Purchases over £172,514 (threshold from January 2014) may fall under EU procurement rules which require advertising in the Official Journal of the European Union. Guidance on the OJEU thresholds is provided in the Official Journal of the European Union. As a minimum, at least three written quotations from nominated suppliers must be sought. Where the value of goods and services exceeds £25,000 then a formal tendering exercise must be followed.

Tender Process

- 6.25 There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.
- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Chief Financial Officer how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
 - **Restricted Tender:** This is where suppliers are specifically invited to tender – normally at least three suppliers. Restricted tenders are appropriate where:
 - there is a need to maintain a balance between the contract value and administrative costs;
 - a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Trust's requirements,

- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
 - the above methods have resulted in either no or unacceptable tenders;
 - only one or very few suppliers are available;
 - extreme urgency exists; or
 - additional deliveries by the existing supplier are justified.

Preparation for Tender

6.26 Full consideration and weighting should be given to:

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

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

Invitation to Tender

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

6.28 An invitation to tender should include the following

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender; and
- form of response.

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

Aspects to Consider

6.30 Financial / Economic

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision

- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

6.31 Technical / Suitability

- Qualifications & Experience of the contractor.
- Descriptions of technical and service facilities.
- Certificates of quality/conformity with standards.
- Quality control procedures.
- Details of previous sales and references from past customers.

6.32 Other Considerations

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

Tender Opening Procedures

6.33 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 £25,000 – Budget Holders, Chief Financial Officer, Vice Principal or the Principal.
- For contracts over £25,000 - the Principal plus a member of the Finance and Audit Committee.

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

Tender Evaluation Procedures

6.34 The evaluation process should involve at least two people as per 6.33. 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.

6.35 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.

6.36 Full records should be kept of all criteria used for evaluation and for contracts over £25,000 a report should be prepared for the Finance and Audit Committee highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the Finance and Audit Committee.

- 6.37 Where required by the conditions attached to a specific grant from the ESFA, their approval must be obtained before the acceptance of a tender.
- 6.38 The accepted tender should be the one that is economically most advantageous to the Academy Trust. All parties should then be informed of the decision.

Exceptions to the Above

- 6.39 In the case of building works, the appointed Senior Responsible Officer, in consultation with the Accounting Officer shall authorise expenditure up to a value of £10,000 but must be satisfied that this represents value for money. If desirable three quotes/prices shall be obtained as above.
- 6.40 For building contracts or expenditure over £10,000 and less than £50,000 the Senior Responsible Officer and Accounting Officer shall invite a minimum of three quotations from contractors.
- 6.41 For building contracts or expenditure over £50,000 then a formal tender exercise should be carried out. The results should be presented to the Finance and Audit Committee for approval.
- 6.42 In extreme circumstances, the above policy may be waived or relaxed. Requests to seek such exceptions should be made to the Accounting Officer and be ratified by the Finance and Audit Committee, and notified in writing to the Trust. These might include:
- Areas where the complexity of a purchase makes it prudent to enter into a formal written contract regardless of contract value. Only the Accounting Officer shall have such authority;
 - Where goods and services are only available from one source and satisfactory alternatives do not exist;
 - The price is controlled by Government order or trade practice.

7. INCOME

- 7.1 The main sources of income for the Trust are Government grants via the Education Funding Agency (ESFA) and from other sponsors. The receipt of these sums is monitored directly by the Accounting Officer who is responsible for ensuring that all grants due to the Trust are collected.
- 7.2 The Trust also obtains income from:
- students, mainly for trips; and
 - the public, mainly for sports lettings and other miscellaneous activities.
- 7.3 The Trust should set fees for chargeable services at full cost but can apply an additional rate of return when in a commercial environment.
- 7.4 The Principal is responsible for ensuring that appropriate procedures are in operation to enable the Trust to receive all income to which it is entitled. The Academy's Finance team is responsible for ensuring that all grants notified by the funding body and other bodies are received and appropriately recorded in the Trust's accounts.

Trips

- 7.5 A lead teacher must be appointed for each trip to take responsibility for the collection of sums due. The lead teacher must prepare a record for each student intending to go on the trip showing the amount due. A copy of the record must be given to the Finance Staff.
- 7.6 Students should make payments at the Finance Office. A receipt must be issued for all monies collected and the value of the receipt and the number of the receipt recorded against the student making the payment.
- 7.7 The Finance staff should maintain an up to date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher on a regular basis and the lead teacher is responsible for chasing any outstanding amounts.

Sports Lettings

- 7.8 The Finance and Audit Committee are responsible for determining a charging policy (as prepared by the Principal) for the use of academy facilities which must be consistently applied to all users.
- 7.9 The Finance staff are responsible for maintaining records of bookings of sports facilities or other income generating activities and for identifying the sums due from each organisation. Payments for the use of facilities are invoiced monthly in arrears.
- 7.10 Details of organisations using the sports facilities should be sent to the Finance staff who will establish a sales ledger account and produce a sales invoice from the Financial Management system. Any outstanding amounts shall be reviewed monthly in line with other outstanding debts by the Finance staff and the Principal.
- 7.11 No debts should be written off without the express approval of the Trust (the ESFA's prior approval is also required if debts to be written off are above the value set out in the annual funding letter).
- 7.12 Organisations using the sports facilities should be instructed to send all payments to the Finance office.

Maximisation of income

- 7.13 It is the responsibility of all staff to ensure that revenue to the Trust is maximised by the efficient application of agreed procedures for the identification, collection and banking of income. In particular, this requires the prompt notification to the Finance staff of sums due so that collection can be initiated

Receipt of cash, cheques and other negotiable instruments

- 7.14 All monies received within the academy, from whatever source, must be recorded on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments. Official receipts should be issued for all cash and cheques received. Where cash is received at other locations, official, pre-numbered receipts should be issued. All cash and cheques must be kept in the Finance Office safe prior to banking.
- 7.15 Wherever possible, monies collected from any vending machines or similar should be carried out by two members of staff who shall empty the machine and transport the cash to the Finance office together where the money will be counted.
- 7.16 Monies collected must be banked in their entirety in the appropriate bank account. Banking should take place every week or more frequently if the sums collected exceed the insurance limit on the Finance office safe.
- 7.17 The Finance staff are responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Finance and Business Manager.

8. CASH MANAGEMENT

Bank Accounts

8.1 The opening of all accounts must be authorised by the Trust who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

Deposits

8.2 Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

- the amount of the deposit; and
- a reference, such as the number of the receipt or the name of the debtor.

Payments and Withdrawals

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

- Principal;
- Chief Financial Officer;
- Finance Officer;
- Delegated members of the Senior Leadership Team
- Delegated members of the Sponsor

8.4 Where the value of a payment exceeds £1,000, one of the signatures must be that of the Principal.

8.5 Cheque books and other secure stationery and devices shall be kept locked when not in use.

8.6 This provision applies to all accounts, public or private, operated by or on behalf of the Trust. Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

Administration

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

- all bank accounts are reconciled to the Academy's cash book;
- reconciliations are prepared by the Senior Finance Officer;
- reconciliations are subject to an independent monthly review carried out by the Finance and Business Manager and authorised by the Principal;
- adjustments arising are dealt with promptly.

Petty Cash Accounts

- 8.8 The Academy maintains a maximum cash balance of £1,000. The cash is administered by the Senior Finance Officer and is kept in the Finance Office safe.
- 8.9 The only deposits to petty cash should be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.
- 8.10 In the interests of security, petty cash payments will be limited to £100 and must be supported by a VAT receipt and authorisation from the relevant budget holder on a petty cash form. Higher value payments should be made by cheque/electronic payment directly from the main bank account as a cash book payment.
- 8.11 The Senior Finance Officer is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash counts should be undertaken by the Finance and Business Manager to ensure that the cash balance reconciles to supporting documentation.
- 8.12 Staff Expenses are to be reimbursed via the payroll system, and not from petty cash.
- 8.13 Petty cash should be held in a locking cash box which is put in the safe when not in use.

Cash Flow Forecasts

- 8.14 The Chief Finance Officer is responsible for preparing cash flow forecasts to ensure that the Trust has sufficient funds available to pay for day to day operations, and keeping the Principal informed.

Investments

- 8.15 Investments must be made only in accordance with written procedures approved by the Trust.
- 8.16 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 purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

9. FIXED ASSETS

Classification

9.1 Assets can be classified under the three main categories of:

- Land and Buildings.
- Equipment, Furniture and Fittings.
- Vehicles and Plant.

Definitions

9.2 In order to determine whether expenditure can be defined as an asset, the following must be relevant:

- Expenditure on the item must exceed £700, excluding VAT, and must have a minimum life of three years;
- Equipment with a threshold value of less than £700 would not normally be capitalised, unless it forms part of a set or group for operational purposes with a cumulative value in excess of £700. If this criteria applies all items should be capitalised;
- The expenditure relates to improvements in a fixed asset. Expenditure under this heading will only be capitalised if it increases the expected future benefits from the existing fixed asset beyond its present standard of performance. Example of such future benefits would include:
 - A significant extension of the assets' useful life beyond that conferred by repair and maintenance
 - An increase in its capacity
 - A substantial improvement in the quality of output or a reduction in the previously assessed operating costs
 - A substantial improvement in the open market value of the fixed asset.

Expenditure on assets undergoing a major refurbishment programme which extends beyond repair or maintenance works project would be eligible for capitalisation in accordance with the above criteria.

- Software and other intangible rights exceeding £700, excluding VAT, would not normally be capitalised. Each item of expenditure under this heading will be considered according to the materiality of the expenditure and the strategic value to the Trust. If the expenditure and/or strategic value are deemed significant, the asset will be capitalised;
- Land and buildings purchased will be capitalised at acquisition cost, including related costs such as irrecoverable VAT, professional fees and commissions. Property used by the Trust under rental agreements which are classified as operating leases would not be capitalised.

Asset Register

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

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding (% of original cost funded from ESFA grant and % funded from other sources)
- expected useful economic life
- depreciation
- current book value
- location
- name of member of staff responsible for the asset
- where possible photographic records of the asset.

9.4 The Asset Register helps:

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

Security of Assets

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

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

Disposals

- 9.7 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 to secure best value for money, The Trust must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.
- 9.8 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment. Where possible in the case of ICT equipment, a specialist supplier shall be engaged to securely remove data and software from equipment prior to any sale or scrap.
- 9.9 The Trust is expected to reinvest the proceeds from all asset sales.
- 9.10 Disposal of land and buildings must only take place with the authorisation of the Board of Trustees. Any disposal of land and building should have due regard to the rights and requirements of the Secretary of State, their Agents, or of any other interested party seeking prior approval or consent where necessary.

Loan of Assets

- 9.11 Items of Trust property must not be removed from any academy premises without the authority of the relevant Budget Holder. A record of the loan must be recorded in a loan book and booked back in when it is returned.
- 9.12 If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the Trust's auditors.

10. INSURANCES

General

- 10.1 The Accounting Officer is responsible for ensuring adequate insurance is in place. The Academy Finance Staff are responsible for the administration of insurance and any claims arising.
- 10.2 The Finance & Audit Committee shall be informed of any individual claims exceeding £5,000 in value.
- 10.3 Trust Managers and Budget Holders shall keep the Finance Staff informed of any new items of equipment, any items that have been disposed of, or any new activities or locations for activities, which may affect the insurance provided.
- 10.4 Trust Buildings shall be insured against damage caused by fire, flood, storm and subsistence.
- 10.5 Trust vehicles shall be insured for authorised drivers and authorised use.
- 10.6 Staff members using their own vehicles for Trust business must ensure that they have their own insurance in place covering them for business use.
- 10.7 The Chief Financial Officer shall determine the extent of insurance cover.
- 10.8 The Trust shall hold employers, public and products liability cover which includes legal liability to employees, pupils and other third parties for death, injury, disease (on campus or world-wide on Trust activities).
- 10.9 The Trust shall insure Governors and Trustees to include cover for injury, libel and slander.
- 10.10 Any Trust employees on authorised overseas travel shall also have cover for medical expenses and emergency travel. There shall also be baggage, money and cancellation cover to prescribed limits.
- 10.11 The Trust shall take professional cover to protect itself against liability for negligence or breach of duty.

Claims Procedure

- 10.12 Incidents of theft and/or malicious damage must be reported to the Finance Staff as soon as possible. Where practical, the Trust will pursue any offending person to recover losses caused by the damage.
- 10.13 All property and/or motor vehicle damage or incident must be reported to the Finance Officer as soon as possible, with all information in a format for the relevant insurance claim form available within seven days. If the security of any area of the campus is at risk the Principal must be informed.
- 10.14 Where appropriate, the police and other authorities will be informed.
- 10.15 The Finance Staff should inform the Principal of any claims as soon as practically possible.
- 10.16 The Principal shall determine the extent of the insurance claim and be responsible for ensuring a claim is submitted.
- 10.17 The Finance and Audit Committee shall be made aware of any outstanding claims not settled after a period of three months.

11. MISCELLANEOUS REGULATIONS

Counter Fraud, Bribery and Corruption Policy

- 11.1 The Trust operate a zero tolerance attitude in respect of fraud, bribery and corruption.
- 11.2 In the event that a staff member becomes suspicious that fraud, bribery or corruption is being committed, they are hereby fully authorised to take immediate action to prevent further loss to the organisation, or to secure evidence. Any such action must however be reported to senior management in accordance with this plan immediately thereafter. If it subsequently becomes clear that those suspicions and actions were ill founded, then the organisation will not discipline the member of staff concerned, unless it is considered that the action was motivated by personal animosity.
- 11.3 Due attention should be paid to the Employee Disclosure (Whistle blowing) Policy.
- 11.4 The Accounting Officer and the Chief Finance Officer are authorised to refer matters to the Police.
- 11.5 All suspicions or instances of fraud or corruption shall be reported to the Chief Finance Officer.
- 11.6 No member of staff shall take or offer a bribe, or allow them to be placed in such a position where such an act may be suspected. Where a bribe is offered or suspected of having been offered, it shall be reported immediately to the Chief Finance Officer for consideration of further action under the Bribery Act 2010, in accordance with this policy
- 11.7 The organisation, it's internal auditor and, where appropriate, its external auditor must report to the regulator's Accounting Officer, copied to the relevant chief auditor, without delay, serious weaknesses, significant frauds, major accounting and other control breakdowns of which they are aware. A serious weakness would be one which may result in a significant fraud or irregularity, and may include cases of irregularities in expenditure which could lead to suspicions or fraud. Significant fraud is usually where one or more of the following factors are involved:
- the sums of money are in excess of £10,000;
 - the particulars of the fraud are novel, unusual or complex;
 - there is likely to be great public interest because of the nature of the fraud or the people involved.
- 11.8 For all amounts the Chief Finance Officer will coordinate an appropriate investigation, reporting the details to the Accounting Officer and the Finance & Audit Committee.
- 11.9 Each and every instance of theft, damage, fraud or corruption will have its own set of circumstances. It is accepted that variations may sometimes be necessary. Staff are therefore authorised to work to their best endeavours, seeking advice and support at all times, to reach the best outcome for the Trust.

Hospitality and Gifts

- 11.10 Hospitality is defined as events or meetings involving a substantial non-business element. Events and meetings primarily for a business purpose at which hospitality is provided do not require approval with regard to the hospitality element.
- 11.11 Acceptance of gifts and/or hospitality by Trust employees and governors must be treated with extreme caution.
- 11.12 No offer of a gift or inducement (except those in 11.13) whether made at specific events (e.g. at Christmas), or casually, should be accepted when the gift is made by, or indirectly by, a person, firm or organisation which, to the knowledge of the employee, has or seeks to do business with the Trust, without the written permission of the Accounting Officer, who will ensure an appropriate record is placed on the employee's personal file. The Accounting Officer will consult the Finance & Audit Committee in respect of gifts with a value in excess of £50.
- 11.13 There is however a delicate balance between acceptance or refusal of hospitality or tokens of goodwill on certain occasions. On each occasion a judgement must be made between causing offence by refusal or risking improper conduct by acceptance. The receipt of minor items with a low intrinsic value of no more than £10, often by way of trade advertisements that will be used on the Trust's premises (e.g. diaries, calendars, stationery etc) is acceptable without written permission of the Accounting Officer.
- 11.14 Employees who are invited to take part in events by virtue of their position with the Trust should discuss the invitation with the Principal before attending. Attendance at events involving a substantial non-business element are not normally permissible. Examples of permissible and non-permissible hospitality are:
- Permitted – Employees representing the Trust in an official capacity or making a speech or presentation. This could include a variety of activities where the hospitality is moderate and relevant to the work of the Trust.
 - Not permitted – The acceptance of money or vouchers in any form. The acceptance of gifts or services of substantial value e.g. air, travel or concert tickets, use of premises, accommodation or services.
- 11.15 All staff are subject to compliance with the Bribery Act 2010.

Retention of Financial Records

- 11.16 Staff responsible for the operation of financial systems are to ensure that prime financial records are retained for a minimum period of six financial years prior to the current year in line with HMRC requirements, unless specifically authorised otherwise. Prime records include:
- Purchase Invoices
 - Sales invoices
 - Bank Statements
 - Receipts.
 - Official orders

- 11.17 These can be kept in any appropriate fashion – preferably using electronic media but ensuring that appropriate physical and electronic security and safety measures are in place for the safekeeping of data. Hard copies should be clearly referenced, marked with a destruction date and kept in a secure environment.

Data Security

- 11.18 The Board of Trustees will ensure that the Academy is registered in accordance with the Data Protection Act. The use of systems to record or process information will comply with this legislation.
- 11.19 The ICT Network Manager is responsible for ensuring that data is regularly backed-up and that any discs or other media are retained in a secure environment (e.g. fireproof safe away from servers etc).
- 11.20 The ICT Network Manager shall ensure that the ICT systems used are password protected and that only authorised staff have access to the systems. Passwords must not be disclosed and should be changed regularly and updated upon staff changes.
- 11.21 The ICT Network Manager will ensure that adequate protection against viruses and other attacks/damage is in place to safeguard systems and data. Only authorised software will be used for this purpose.

----- End of Financial Regulations -----