



FINANCIAL REGULATIONS

Date Approved by Board – 13 July 2018 (for 1st September 2018 Implementation)

Next Review Date – September 2019

Responsible Officer – Chief Operating Officer

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1. Introduction

The purpose of these regulations is to ensure that the Nicholas Postgate Catholic Academy Trust (NPCAT) maintains at all times effective systems of financial control, which conform to the requirements of propriety, regularity and good financial management. It is essential that these systems operate properly to meet the requirements of NPCAT's Funding Agreement with the Department of Education (DfE), the Academies Financial Handbook (AFH) and all other statutory requirements for companies and charities. It will also provide a transparent framework for decision making that will protect both the Trust and individuals' integrity.

The Trust must comply with the principles of financial control outlined in the academies guidance published by the DfE. This policy expands on that guidance and forms the manual detailing information on the Trust's accounting procedures and systems for the proper management of all funds and resources.

These regulations are a significant part of the Trust's Internal Control Framework which is summarised for reference at Appendix A. This also includes reference to the Trust's Scheme of Delegation and other significant policies and procedures as detailed below and these should be read in conjunction with this document and the Academies Financial Handbook produced annually by the ESFA:

- Assets and Disposals Policy
- VAT Guidance
- Counter Fraud & Corruption Policy
- Charging, Remissions & Lettings Policy
- Financial Reserves Policy
- Treasury Management & Investment Policy
- Risk Management
- Business Continuity

2. Principles

The Trust will manage its affairs in accordance with the high standards detailed in the 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with Lord Nolan's 7 principles of public life –

- **Selflessness**

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

- **Integrity**

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

- **Objectivity**

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

- **Accountability**

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

- **Openness**

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

- **Honesty**

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

- **Leadership**

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

3. Organisation and Responsibilities

The Trust has defined the responsibilities of each role and official involved in the administration of its finances to avoid the duplication or omission of functions and to provide a framework of accountability for directors, governors and staff.

3.1 Governance

All members, directors, governors, and staff must understand and abide by these regulations and recognise and support the principle that anyone found to be in breach of these procedures may face disciplinary action. Together they have responsibility for directing the Trust's affairs, and for ensuring that it is solvent, well run, and delivering the charitable outcomes for the benefit of the public for which it has been set.

3.2 Trust Responsibilities

The Board of Directors has overall responsibility for administration of the Trust's finances, and the main financial responsibilities are prescribed in the Funding Agreement between the Trust and the Department for Education (DfE) and in the Academies Financial Handbook. (AFH)

The main responsibilities include:-

- Ensuring grant funding from the DfE and other restricted funding is used for the purposes intended
- Approval of the annual budget and any material changes

- Ensuring a Scheme of Delegation is in place
- Approval of all relevant HR & Finance Policies
- Ensuring the Trust has adequate insurance cover
- Ensuring assets are managed effectively
- Ensuring accurate accounting records are maintained
- Ensuring the budget monitoring statements are a true and accurate record of income and expenditure
- Approval of contracts above delegated limits
- Approval of the annual statutory accounts
- Appointments to key positions and roles relating to finance including the Accounting Officer, Chief Financial Officer and internal and external auditors

3.3 Committee Structure

The Trust's Board will operate 2 sub-committees in respect of financial oversight and scrutiny as follows:

- Finance & Resources Committee
- Audit Committee

3.4 Head Teachers

The Head Teachers at each academy have overall executive responsibility for that academy.

The Head Teacher has responsibilities for:

- Ensuring expenditure is controlled within approved budgets.
- Ensuring staffing structures are both affordable and within the authorised establishment
- Enforcing the application of these procedures within each Academy
- Ensuring the Chief Financial Officer (CFO) is provided with any financial or contractual information they request in order to discharge their duties and is also notified immediately of any situation likely to significantly impact on the financial position of the academy
- Authorising contracts, orders and virements up to the amounts delegated in these procedures
- In conjunction with Central Finance and Business Support staff ensuring that all transactions are correctly authorised and approved and that a full audit trail exists that complies with these regulations

3.5 Accounting Officer

The Trust's Chief Executive (CEO) will act as the Accounting Officer and who is personally responsible to the Trust and must:-

- Assure the Board that there is compliance with the Academies Financial Handbook, the Funding Agreement and all relevant aspects of company and charitable law.
- Ensure that bank accounts, financial systems and financial records are operated by more than one person;

- Ensure that all the Trust's property is under the control of the trustees, and that measures are in place to prevent losses or misuse, including maintenance of adequate fixed asset registers;
- Keep full and accurate accounting records; and
- Ensure that monthly management accounts are prepared, giving an accurate view of the trust's incoming resources, application of resources during the year, and the true position at the year-end, in accordance with existing accounting standards.

The Accounting Officer has the duty to take action if the Trust or Chair of the Board is contemplating a course of action, which he or she considers an infringement of propriety or regularity. Objections should be put in writing to the Trust and details sent to the Permanent Secretary at the DfE and the Trust's external auditors.

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:

- **Value for money** – this is about achieving the best possible educational outcomes through the economic, efficient and effective use of resources. A key objective is to achieve value for money not only for the trust but for taxpayers generally.
- **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

The Accounting Officer must complete and sign a statement on regularity, propriety and compliance each year and submit this to ESFA with the audited accounts. The accounting officer must also demonstrate how the trust has secured value for money via the governance statement in the audited accounts.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities and record this delegation.

3.6 Chief Financial Officer (CFO)

All academy trusts must have an officer, appointed by the Trust's Board, who is the Trust's Chief Financial Officer. Key roles are:-

- The preparation of the annual accounts
- The preparation and monitoring of the approved annual budget
- Technical accounting and procurement advice
- Liaison with the Trust's internal and external auditors
- To play both a technical and leadership role in the Trust.

The Trust's Chief Operating Officer (COO) will act as NPCAT's CFO. Other duties of this position include:

- The management of financial issues including the establishment and operation of suitable accounting systems;
- The management of the Trust's financial position at a strategic and operational level in conjunction with Head Teachers and Business Support staff, including the preparation of a 3-year Medium Term Financial Strategy (MTFS)
- The maintenance of effective systems of internal control;
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust;
- Ensuring the Trust's month end procedure is followed to allow the overall position to be reviewed on a monthly basis and for full consolidated management accounts to be produced for reporting to the Trust on a quarterly basis.
- Ensuring forms and returns are sent to the DfE in line with their reporting deadlines.
- Signing cheques and authorising BACs payment runs in accordance with the Bank Mandate
- Liaison with payroll, preparation of staff claims and reconciliation of payroll data from the Trust's payroll service provider.
- Management of the Trust's Service Level Agreements (SLAs) and shared services contracts.
- Authorising virements, orders and the award of contracts up to the amounts delegated in these regulations.
- The approval of all pro-formas and documents in support of these procedures used on a Trust wide basis

3.7 Delivering Assurance

Checks and balances need to be put in place to ensure that the financial management arrangements within the Trust are monitored. The DfE in the AFH sets out a number of ways this can be achieved including the appointment of a Responsible Officer, Independent Peer Reviewer or Internal Assurance/Auditor (IA).

NPCAT has determined that this will function will be undertaken by the appointment of an internal assurance provider. For the 3 year period commencing September 2018 this is to be Baldwins.

The internal audit provider is appointed by the Trust and is intended to provide an independent oversight of the Trust's financial affairs. The main duty of the IA is to provide the Trust with on-going and independent assurance that:

- The financial responsibilities of the Trust are being properly discharged;
- Resources are being managed in an efficient; economic and effective manner;
- Sound systems of internal financial control are being maintained;
- Financial risk is audited and mitigated; and
- Business Continuity plans are robust

A programme of checks for IA will be agreed in order to provide the Trust and indirectly the DfE with the required assurance.

General areas for review will include, but will not be limited to, the following:

- Reviewing that bank reconciliations have been carried out each month

- A review of monthly payroll to ensure that any changes have been appropriately authorised and agreed
- Sample checking of orders to delivery notes and invoices to ensure that the documentation is complete and has been appropriately checked and authorised.
- Sample checking of payments back to invoices, orders and delivery notes to confirm they are bona fide purchases.
- Reviewing a sample of expense claims to ensure that appropriate documentation supports the claim and it is appropriately authorised.
- A review of returns to the DfE to ensure the information supplied is consistent with the underlying records and internal management reports.
- Undertaking spot checks of any petty cash balances and supporting vouchers
- A review of all major contracts and ensure formal tender procedures exist and are being followed correctly.

The COO may also direct the Trust's Finance team to also undertake unannounced spot checks on a periodic basis at the Trust's academies to provide additional assurance that these procedures are being complied with.

3.8 School Business Support Staff

Business support staff at each Academy will work in close collaboration with the Central Finance team.

Their main responsibilities will include: -

- Management and administration of any petty cash imprest accounts
- Cash collection - school trips and dinner monies etc.
- Banking
- Order and invoice processing in line with agreed payment terms
- Raising debtor invoices in a timely manner and escalation to the Central Finance team of any unpaid debts
- Undertaking a monthly review of aged debtors and creditors reports
- The updating and maintenance of financial records in PS Financials
- Providing all information required to allow the Central Finance team to complete a monthly bank account reconciliation and produce management accounts
- Use and associated record keeping of any purchasing card transactions
- Maintaining a contract register for each school and undertaking tenders where responsibility for such matters resides at the academy level
- Arranging insurance cover through the framework advised by the COO on an ad-hoc basis for areas not covered by RPA scheme membership or Trust wide policies (Motor Vehicle and Engineering Inspections)
- Ensuring the staffing establishment is up to date and payroll and pensions returns are made as appropriate
- The maintenance of inventories in line with limits set out in these financial procedures

3.9 Other Staff

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

3.10 Register of Business Interests

It is vital that members, directors and governors are seen to act, impartially and are therefore required to complete a declaration of business interest's return. Head teachers and other senior staff as directed by the COO are also required to complete this declaration.

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parent, spouse, child, cohabitee and business partner where that person could exert influence over a director, governor or member of staff. This extends for directors, governors and senior staff to include the disclosure of any relations who are directly employed by the Trust.

The existence of a register of business interests does not of course detract from the duties of the directors, governors and staff to declare interests whenever they are relevant to matters being discussed by any Board or a Committee. According to the Articles both direct and indirect conflicts of interests must be declared.

A direct interest is where he or she might gain a personal (usually financial) benefit and an indirect interest is where there is no direct benefit but the person has a connection with another organisation that might gain, or a relative or friend who might gain.

Where an interest has been declared, that person(s) should not attend that part of the meeting and this should be recorded in the minutes.

The Trust will maintain a register for its Board of Directors and each Academy shall also maintain its own.

It is the role of the Clerk to the Board of Directors, and the Local Governing Body clerks to ensure the Register of Business Interests is up to date and that all meeting agendas have a declaration of interests item at the start of every meeting. Registers will be open to public inspection and published on the Trust's website.

3.11 Related Party Transactions

The Trust will ensure that any 'related party' transactions entered into are on a 'not for profit' basis that satisfies the requirements of the Academies Financial Handbook (profit element only allowed for a single related party on the first £2,500 of goods and services provided across the Trust annually). A register of all such related parties will be maintained by the Trust's Central Finance team based on information provided by academies and shared with all Business Support staff at least annually or where updates occur. This will ensure a single related party cannot accumulate work across a number of academies with the aim of exceeding the £2,500 limit.

Trusts must report all transactions with related parties to ESFA in advance of the transaction taking place, using ESFA's on-line form. This requirement applies to transactions made on or after 1 April 2019.

Trusts must obtain ESFA’s approval for transactions with related parties that are novel, contentious and/or repercussive. Trusts should carefully consider the impact of this requirement and its relevance to transactions involving the Chair of the Board and the Accounting Officer.

Trusts must obtain ESFA’s prior approval, using ESFA’s on-line form, for contracts for the supply of goods or services to the trust by a related party agreed on or after 1 April 2019 where any of the following limits arise:

- A contract exceeding £20,000
- A contract of any value that would take the total value of contracts with the related party beyond £20,000 in the same financial year ending 31 August
- A contract of any value if there have been contracts exceeding £20,000 individually or cumulatively with the related party in the same financial year ending 31 August.

3.12 Gifts, Hospitality & Inappropriate Expenditure

The receipt of gifts or excessive hospitality can damage the Trust’s reputation and as such caution must always be exercised. The Trust has a Counter Fraud & Corruption Policy that seeks to protect directors, governors and staff from suspicion of dishonesty and ensure that they are free from any conflict of interest with respect to the acceptance or provision of gifts, hospitality, or any other inducement from or to suppliers of goods or services to the Trust or one of the academies.

A key element of the policy is that, in the interests of transparency, a Register of Gifts and Hospitality is to be established and kept in each Academy and the Central Services Team. Any director, governor or member of staff who receives an offer of a gift or hospitality over the value of £30 must ensure this is recorded in this register, regardless of whether it is accepted or not. This includes end of term gifts provided by pupils to teaching staff.

When giving gifts, the Trust must ensure that the value of the gift is reasonable, the decision is fully documented, and has due regard to propriety and regularity in the use of public funds. The following matrix sets out who must be consulted for approval before any offer of gifts or hospitality are accepted:

<u>Offer to:</u>	<u>Request considered by:</u>
Chair of the Board	Full Board with consultation with the Trust’s External Auditors
CEO	Chair of the Board
Executive Leadership Team	CEO
Head Teachers	COO
Teachers	Head Teacher

The “use of public funds” is a key point here as prior to conversion to academy status schools may have used their private funds for contributing to gifts for staff or catering provisions for a celebration event. Post conversion all funds come under the direction and control of the Board of Directors, although it has been agreed that historic private fund monies may be separately

identifiable within the coding structure. There may well have been historic transfers between a schools private fund and school budget share which blurred the link between what is public money and what is not. Any external inspection of this issue will not make a distinction between the source of funds as they will all ultimately be deemed to be held for the benefit of students or to deliver the Trust's wider objectives and will focus on the nature of the expenditure incurred and whether this satisfies the broad principles required by the ESFA.

Examples of expenditure including the provision of gifts from other academies that has drawn criticism from the ESFA are as follows: -

- Alcohol for staff events and end of term drinks
- Excessive spend on flowers
- Expenses claims and use of corporate credit cards indicating a culture involving prestige venues, large drinks bills, business lunches and first class travel
- Birthday cakes for SLT members

In respect of gifts for staff there can also be personal taxation issues where a benefit received is considered to be more than "trivial". Cash benefits, benefits with a money's worth and non-cash vouchers, however small in amount, should not be regarded as trivial.

General principles: -

- Provision of tea and coffee is allowable where available to all staff
- As a general rule gifts for staff should be funded from contributions from other staff only with this arrangement being managed outside of and separate to all Trust funds
- Where a significant event is involved and the point above is not considered appropriate or practical other gifts should be trivial in nature, within a maximum limit of £30 and linked to a particular event such as a long service milestone, the birth of a child or retirement etc.
- No alcohol is to be purchased using Trust funds
- Where funding for catering for a school or Trust event is required then there must be a clear and demonstrable link to the benefit derived for the Trust's students.

4. Financial Planning

NPCAT must prepare a financial plan so to ensure the Trust's short-term and long-term financial health is sustainable.

The Central Finance team will prepare both an annual budget and medium-term financial plan for the Trust overall and will work with individual academies in preparing their own annual budgets. These plans are prepared to inform the Trust's strategic development planning processes for the next 3 years. The Trust's Strategic Plan identifies the development plan priorities over the medium term and the expected level of resources available to meet these and any other cost pressures.

The Trust's Strategic Business Plan provides the framework for the annual budget. The annual budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources during the year.

The Trust will adopt the principles of the Association of School & College Leaders (ASCL) in using a Curriculum Led Financial Planning (CLFP) approach to help deliver affordable plans for each Academy and support the setting of balanced budgets.

Annual budgets should reflect the priorities in each academy's School Improvement Plan (SIP). SIPs should include cost estimates, both capital and revenue, associated with the achievement of each objective, including success criteria against which achievement can be measured. The Central Finance Team should be fully involved in the development of such plans.

5. Developing and Approving the Annual Budget

The Trust must have the Board approve a balanced budget for the forthcoming financial year and must minute this approval.

The budget process follows an annual planning annual cycle which is set out in Appendix B.

The COO, in liaison with Head Teachers is responsible for preparing and obtaining approval for the annual budget. The approved budget must be submitted to the DfE by the published timetable each year.

The COO is also responsible for establishing a timetable which allows sufficient time for the approval process and ensures the submission date published by the DfE is met.

The annual budget will reflect the best estimate of the resources available to the Trust for the forthcoming year and will detail how those resources will be utilised establishing clear links to support objectives identified in the School Improvement Plans for each Academy.

The budget planning process will incorporate the following elements:-

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

Indicative annual budgets will be prepared for each Academy as soon as the autumn census information has been updated. This high level review will be presented to the Trust in December to allow sufficient time for strategic planning for those academies who may face challenges in setting a balanced budget and meeting the Trust's reserves target. Any use of reserves to balance annual budgets will only be allowed if approved by the Trust and wherever possible academies must aim to set a balanced budget based on the annual income they are due to receive for that respective year. Please refer to the Trust's Financial Reserves Policy for more detail in this area.

Indicative budgets will then be finalised during the spring Term in consultation with Head Teachers before finally being approved by the Trust's Board. Once the budget is agreed this

should be communicated to all responsible budget holders to ensure they are aware of their responsibilities and limits for the year ahead.

6. Financial Management Monitoring & Reporting

The Central Finance team will reconcile the Trust's bank account on a weekly basis. Other reconciliations and control accounts will be reconciled and cleared on a monthly basis as follows:-

- Trial balance account
- Payroll and employer/employee deductions accounts
- Sales control account
- Purchases control account
- Childcare voucher account
- VAT account (quarterly in line with HMRC returns)

All Directors, Head Teachers and LGBs will receive a budget monitoring position in the form of management accounts and key financial indicators on a monthly basis.

The Trust's Finance & Resources (F&R) Committee will receive management accounts on current spend against budget, a forecasted outturn position and a range of supporting key financial indicators. These will be based on the monthly management accounts reports and reported as follows:

<u>F&R Meeting</u>	<u>Period Reported</u>
October	To 31 st August for previous year
December	To 31 st October
January	To 30 th November
March	To 31 st January
April	To 28 th February
June	To 30 th April

Recommendations will be suggested regarding appropriate action to be taken to correct any significant variances against the agreed budget and plans formulated for discussion with the respective Head Teachers.

Key performance indicators and information that will accompany the budget monitoring information are as follows and will be produced for each academy and also consolidated for the Trust:

1. Teacher Contact Ratio
2. % of Expenditure Budget Spent on SLT
3. Pupil to Teacher Ratio
4. Pupil to Teaching Assistant Ratio
5. Pupil to Other Support Staff Ratio (excluding TAs)
6. Average Teacher Cost

7. Average Class Size
8. Spend per pupil on Premises, Energy, Learning Resources and ICT costs
9. Staff costs as a % of total expenditure
10. Staff costs as a % of total income
11. A summary of the current 3-year budget position, including latest year-end projection and reserves summary
12. A summary of current pupil numbers and latest 3-year projection
13. The academy's contract register in the specified format of the Trust
14. Recommendations made by Internal and External Audit

The above factors will be used by the Central Finance team to financially risk assess each Academy. This assessment will inform the wider overall categorisation as part of the Trust's School Improvement Framework.

Head Teachers may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the Trust as a whole. Delegated budget holders will be provided with sufficient information, including individual capitation reports, to enable them to perform adequate monitoring and control. Such budget holders are accountable to their Head Teacher who are responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed effectively.

Any potential overspends against the budget must in the first instance be discussed with the Central Finance Team.

The original agreed annual budget must be set in PS Financials and up-to-date changes monitored against a master budget which will record in-year changes. An audit trail of all virements made after the approval of the original budget must be maintained. Approved virement limits are as set out in Appendix C. Virements from non-staffing budgets to staffing budgets are not permitted without the prior written approval of the COO.

6.1 External Financial Reporting

There are annual statutory external reporting deadlines that the Trust must comply with. These are as follows:

- **By 31st October** – Land & Buildings information submitted to ESFA
- **By 31st December** – Full Audited statutory accounts for year ending 31st August and External Audit management letter submitted to the ESFA
- **By 19th January** – Accounts return consolidation exercise using ESFA template (submitted and authorised by the external auditor).
- **By 31st January** – Trusts must publish their audited financial statements on their website
- **By 21stth May** – Trusts must submit their budget forecast outturn return (BFRO) to the EFSA
- **By 30th May** – Trusts must submit their end of year submission to the Teachers' Pension Fund (TPS EOYC)

- **By 31st May** – Trusts must submit their audited financial statements to Companies House (deadline is 9 months after previous financial year end)
- **By 30th July** – Agreed 3-year budgets must be reported to ESFA using the budget forecast return (BFR) submission

7. Accounting Systems

7.1 Financial Accounting System

The Trust uses the PS Financials Accounting System and all financial transactions must be recorded using this system. Access rights are defined for each user with a unique ID and password. Log in details must be kept secure and under no circumstances shared with other staff.

All financial transactions relating to the Trust's budget must be recorded using PS Financials. There must be a clear audit trail for all financial transactions from the original documentation to accounting records.

Financial records must be retained for 10 years in accordance with the Companies Act.

Authorisation and supervisory controls will be adequate to ensure transactions are properly recorded and authorised and that errors are identified.

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

It is the responsibility of the Central Finance team to maintain the integrity of the Chart of Accounts within PS Financials in a format that efficiently supports the production and submission of information to discharge all statutory responsibilities. On this basis any requests for new nominal account codes within the system are to be submitted to the Central MAT team on the pro-forma attached at Appendix D.

Business continuity procedures are maintained by an agreement with ONE IT for them to host remotely the Trust's accounting system. This arrangement will be kept under review on a regular basis.

7.2 Transaction Processing

- All journal transfers and transactions in the Nominal Ledger will be processed by Business Support staff or the Central Finance team
- Cash clearance entries will be made by Business Support staff and or the Central Finance team
- Fixed Asset and depreciation transactions will be made by the Central Finance team
- Orders on requisitions authorised in accordance with agreed limits will be raised by Business Support staff
- Invoices will be processed ready for payment by Business Support staff.
- Sales Ledger & Purchase Ledger transactions will be processed by Business Support staff.

- BACS payments should be raised by Business Support staff. There will be a Trust BACS payment run each Thursday with a requirement for two levels of approval. Both levels of this approval will be delegated to 2 different members of the Central Finance team
- The Central Finance team will obtain and review system reports to ensure only regular and proper transactions are posted to the accounting system.
- The Central Finance team will ensure monthly reconciliations in respect of the sales ledger; purchase ledger, payroll, nominal ledgers and cash books are carried out by each Academy.

8. HR Establishment Controls and Payroll

The main elements of the payroll system are:

- Staff appointments and contractual changes
- Payroll administration
- Payments and monitoring

8.1 Staff Appointments & Contractual Changes:

The Trust will maintain an overall single personnel establishment which is known as the Staffing Structure. Each academy must provide any such information on a continuous basis as is requested by the Trust's HR Manager to ensure this is always up to date.

Any changes to the Staffing Structure of the Trust may only be approved by in line with the Trust's Scheme of Delegation and where authority for this resides at a school level there is a requirement before advertising any appointment that there is approval in place from the Trust's Central Finance Team and the HR Manager.

The Central Finance team and Business Support staff are responsible for ensuring that the staff database on the HCSS budget planning software reconciles to the current budget

8.2 Trust Appointments

In addition for Trust wide appointments the Trust's Governance & Policy Manager will notify ESFA of:

- the vacating or filling of the positions of Chair of the Board, Accounting Officer and Chief Financial Officer, including direct contact details
- the appointment / removal of all members, trustees (directors) and local governors

This must be notified within 14 days of any change which must be made through EFSA's Getting Information About Schools (GIAS).

8.3 Payroll Administration

Academy Business Support staff will maintain personnel files for all employees, which will include contracts of employment using the Catholic Education Service (CES) model template. Any use of other forms of contract of employment must be approved by the Trust's Board. These should be retained in locked secure drawers with only the School Business Manager and the Head teacher having access.

The Trust's payroll processing is administered through a contractual arrangement with an external payroll provider, North Yorkshire County Council (NYCC). NYCC will produce monthly payroll timetables for key processing dates, and these will be shared with relevant staff.

NYCC currently process all payroll changes, such as starters, leavers and additional hours on computerised secure forms. These forms must be submitted to North Yorkshire County Council Business Services by the timetable cut-off date. Any changes to payroll should only be processed if the changes have been approved in line with the requirements at 8.1.

Each academy is responsible for notifying the payroll provider of sickness and other absences during the month. Claims for overtime, additional hours and supply cover are manually recorded and approved by the signature of the Head Teacher after they have ensured that there is adequate budgetary provision. Amendments are then submitted to North Yorkshire County Council Employment Support Services on the secure portal and copies must be retained by the respective Academy.

All members of staff are paid monthly, in arrears by BACS transfer, on 25th of each month. This may vary over the Christmas period as agreed by the COO.

8.4 Payments and Monitoring

All salary and indirect employee expense payments will be made by BACS.

Initial input of any changes to payroll data should be undertaken by each academy's SBM but checked and signed by a second employee for accuracy. (Retain evidence of this for audit purposes)

NYCC will then submit payroll reports (the RUN1 or 1st CALCULATE) prior to salary payments being dispatched detailing costs and individual's payment details. The SBM will then:

- Undertake an overall sensibility and reasonableness check in comparison to the previous month's payroll
- Check a sample of 3 individual payslip files and verify that the gross pay, deductions and net pay are correct (retain evidence of this for audit purposes).
- Detail any amendments that are required to be made to the 1st CALCULATE
- Sign to verify all of the above and obtain the Head Teacher's authorisation either by them signing a hard copy or via e-mail conformation (retain evidence of this for audit purposes)

The RUN2 or FINAL CALCULATE report which is a final confirmation of what will be released for payment will then be received for information after which no more amendments can normally be made.

The payroll system automatically calculates the deductions due from salaries to comply with current legislation. NYCC will be authorised to make BACS payments from the Trust's Bank Account by direct payment for the amounts of the deductions to the following agencies: Local Government Pension Scheme, Teachers Pensions, Prudential Teachers AVC's, Unison & GMB, HMRC and for Court Orders.

8.5 Special Payments to Staff

Non-contractual payments at the end of employment can only be paid if it can be reasonably considered that the proposed payment is in the interests of the Trust. Such consideration must take into account whether such a payment is justified, based on a legal assessment of the chances of the trust successfully defending the case at an employment tribunal. If there is a significant prospect of losing the case then a settlement may be justified, especially if the costs incurred in maintaining a defence are likely to be high. Where a legal assessment suggests that the Trust is likely to be successful, then a settlement should not be offered.

The business case for such payments must be fully documented and the guidance issued by the ESFA as set out in the AFH must be complied with.

The Trust following prior consultation with both the respective Head Teacher may approve non-contractual payments up to £50,000 (gross payment value i.e. before income tax or other deductions). Non-contractual payments over £50,000 require approval in advance from ESFA who will refer the payment to HM Treasury.

8.6 Mileage Payments to Staff

Staff may claim mileage at the agreed rate for Trust business journeys. When an employee uses their own vehicle on Trust-related business, they must ensure their insurance policy specifically covers using the vehicle for business travel. If an employee wishes to claim mileage for any such journey then a copy of their current insurance certificate must be supplied to the school office before any re-imbursement can be processed. Should a driver without business insurance be involved in a road traffic accident while on Trust business then any claims arising will be repudiated by the Trust and be redirected to the employee personally. This may well result in the individual being held personally liable for the payment of any claims depending on the view taken by their own insurance company

A claim form must be completed and must be authorised by the line manager and the Head Teacher before being processed for payment. All mileage payments must be paid through payroll to ensure the appropriate PAYE treatment.

Further information is available in the Trust's Travel & Expenses Policy

8.7 Mobile Phones

Where a mobile phone is essential in carrying out a job role the Trust may enter into an appropriate mobile phone contract and lend the phone to the member of staff for usage. New phone contracts must be approved by the relevant Head Teacher.

Statements/invoices will be reviewed to ensure that any additional calls in excess of the monthly tariff are genuine business calls. The cost of any personal calls will be collected from the member of staff. Payment of the invoice will be made following the normal payment procedures.

9. Value for Money (VFM), Competitive Tendering Procedures and Approved Expenditure Limits

All orders for goods and services are subject to the following rules concerning quotes, tenders and approvals as set out below and in line with the Trust's agreed Scheme of Delegation:

Revenue Expenditure			
Delegated Responsibility	Value	Delegated Authority	Quotation & Tendering Requirements
Ordering Goods & Services	Up to £3,000	Academy Head Teachers	A fixed quote or price must always be obtained before any order is placed and each budget holder must consider VFM. Evidence i.e. e-mail or note of phone call must be attached to the Purchase Order (PO)
	Up to £15,000	Academy Head Teachers	Orders from £3,001 to £5,000 - Evidence of 3 verbal quotations must be recorded and attached to the PO
			Orders from £5,001 to £15,000 - Evidence of 3 written quotations must be retained and attached to the PO
	£15,001 to £75,000	Academy Head Teachers with approval	Orders from £15,001 to £49,999 - Evidence of 3 written quotations must be retained and attached to the PO
		from COO	Orders of £50,000 to £75,000 - A formal specification must be drawn up and a full tendering exercise undertaken
	£75,001 and above	Full Trust by recommendation from COO	Orders of £75,001 to OJEU threshold - A formal specification must be drawn up and a full tendering exercise undertaken
			OJEU threshold and above - Refer to Central Trust Finance Team for further guidance

The following limits exclude VAT and apply when expenditure is within the approved budget only. Circumstances outside of this will always be subject to approval from the Trust's Central Finance team. Within the Trust Central team the CEO and COO have authority to place orders for goods and services up to an aggregated value of £75,000 where both post holders approve this. Any items above this will require approval by the full Trust.

9.1 Orders of £50,000 and over

Goods or services ordered with a value of £50,000 must be subject to formal tendering procedures as detailed below and which will be undertaken in consultation and with regards to advice from the Trust's Central Finance team. Where the value is £75,001 or above then the outcomes of the tendering exercise will be reported to the Trust's Finance & Resources Committee for approval before the contract is awarded. Where operational requirements prohibit this from being possible the Chair of the Finance & Resources Committee will be consulted before the contract is awarded with the matter being reported to the next possible meeting of this committee retrospectively.

Purchases over the OJEU Thresholds are by law subject to EU Public Procurement Directives for the advertising and Award of Contracts. Current limits can be obtained from:

<http://www.ojec.com/Thresholds.aspx>

9.2 Overall Values

It is important to note that these values apply to the estimated value of goods and services over the full period of any contract or agreement, so for example, a 3 year services contract of £17,000 per

annum and therefore totalling £51,000 would necessitate a formal tendering process based on a specification.

9.3 Exemption from Trust Tendering Requirements

In some cases it may not be possible to get more than one quote for high value amounts (over £5,001) .This is because there is only one supplier i.e. Exam books or specialist work.

Because of local knowledge or a continuation of previous work one supplier can in some exceptional circumstances be the most cost effective option.

If this is the case then an exemption from Tendering Regulations form should be completed and approved in advance of any award. This form is available at Appendix S.

10. Forms of Tender

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below. The Trust will also make appropriate use of available framework agreements where they are relevant and provide a cost-effective solution.

10.1 Open Tender:

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

10.2 Restricted Tenders:

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

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

10.3 Negotiated Tender:

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

The above methods have resulted in either no or unacceptable tenders,

- Only one or very few suppliers are available,
- Extreme urgency exists,
- Additional deliveries by existing supplier are justified

10.4 Preparing for Tender

Full consideration should be given to:

- EU procurement thresholds
- Objectives of project
- Overall requirements technical skills required

- After sales service requirements form of contract

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

10.5 Invitation to Tender

An invitation to tender should include the following:

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

10.6 Aspects to consider

Financial

- Comparison of like with like cost and if a lower price means a reduced service or lower quality this should be borne in mind when reaching a decision
- Hidden costs – care should be taken to ensure tender price is the total price. Is there scope for negotiation?

Technical

- Qualifications of contractor experience
- Descriptions of technical and service facilities
- Compliance with industry standards and certifications
- Quality control procedures
- Details of previous sales and references

Other considerations

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

10.7 Tender Acceptance Procedures

The tender invitation will state the time and date by which the completed tender document should be received by the Trust. Tender submissions should be received in plain envelopes clearly stating they contain tender documents they must be date stamped and marked with the time of receipt. They should be stored, unopened, in a secure place prior to tender opening. Tenders received after the deadline should not normally be accepted.

10.8 Tender Opening Procedures

All tenders should be opened at the same time and tender details should be recorded and signed. Two persons should be present at the opening of the tenders this would normally be the SBM and the Head Teacher although in some circumstances this could be delegated to an agent who has been employed by the Trust to undertake the tendering process e.g. a firm of architects:

10.9 Tender Evaluation Procedures

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

Those involved must not in any circumstances agree to accept gifts or hospitality from potential suppliers that could be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and for contracts over £50,000 for audit purposes and in case of a potential challenge from an unsuccessful bidder.

The accepted tender should be one that is economically most advantageous for the Trust. Where the lowest tender is not accepted a clear record of this decision and the basis of the decision shall be maintained in writing.

10.10 Signing of Contracts

When a tender is accepted and a contract is entered into in behalf of the Trust only the officers as nominated at Appendix E have the authority to sign a legally binding contract or agreement on the Trust's behalf.

10.11 Register of Contracts

Each Academy and the Central Finance team must maintain a contracts register which is to be updated on a continuous basis. This should be in an excel format and must include the information as set out in Appendix F. This will aid with the planning and delivery of procurement decisions and obtaining value for money. No contract or SLA should be paid in advance without the written approval of the COO.

11. Purchasing

The Trust will aim to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable.

Head Teachers and the Central Finance team are responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services by following the general principles of:

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

Head Teachers and the COO will ensure that there is a clear segregation of duties within the each Academy's office and the Central Team to prevent one individual being able to undertake a complete transaction in isolation.

11.1 Orders for Goods and Services

Authorised budget holders should raise an order for goods or services using the requisition form at Appendix G. It is a key control that the “purchaser” and “authoriser” are separate individuals in every transaction.

Where the value of an order is over £1,000 the Head Teacher must approve the requisition and this must be accompanied evidence of appropriate number of quotes or proof that VFM exercise has taken place – as per section 9. Orders should only be authorised if the required VFM documentation is present and correct. Advice about suppliers or obtaining best value is available from the Central Finance Team.

Official orders will be raised through PS Financials and preferably e-mailed, but can also be faxed or posted to the supplier. Ordering by telephone will only be permitted in emergency situations where raising an official order is not practicable and with prior approval from the Central Finance team. In such cases, a written confirmation order must be raised as soon as possible and normally within 24 hours.

Requisition forms must have the PS Financials generated purchase order recorded on it and filed in sequential order.

The PS Financials system work flow is shown at Appendix H and has been tailored to each academy depending on whether Finance Assistants are employed to undertake the raising of an electronic requisition in PS Financials.

11.2 Delivery of Goods and Services

On receipt of goods the will check the goods received and match the delivery note and sign the note to confirm this.

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

The Finance Assistant or SBM will raise any discrepancies with the supplier for investigation.

The Finance Assistant or SBM will despatch goods to the budget holder or person responsible for the goods who must ensure that the goods received are of acceptable quality any goods that rejected must be notified to the school office within 2 days of delivery.

The Finance Assistant or SBM will put the goods received note on the system and when the invoice comes in then this should be checked. The Finance Assistant or SBM then posts the GRN (Goods Received Note) in PS Financials to record the receipt of goods against the order confirming it is all or part complete.

12. Payment of Accounts

12.1 Processing of Invoices

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

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

- The invoice is arithmetically correct
- Prices are correct
- VAT has been treated correctly

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

At least two people must be involved in the process of agreeing invoices and authorising payment. The Finance Assistants or SBMs will do the above checks and enter the invoices on to PS Financials as soon as possible. The respective Budget Holder or Head Teacher will authorise the payment of the invoice by signing and dating each invoice. All invoices are then to be processed through PS Financials with payments generated via BACS and authorised via a two stage process by the Central Finance team.

Only in exceptional circumstances should payment be made by cheque or purchasing card.

Order Related Invoices: The invoice is posted to PSF and matched to the approved and receipted order. The invoice can go forward for payment.

Non-order invoices are posted directly to PS Financials. Non-order invoices are only permissible for the following items and any derogation from this list must be agreed in writing and in advance with the Chief Operating Officer:

- Utility costs
- Rent and rates bills
- Refuse disposal and sanitary bins collection
- Franking machine top-ups
- Subscription and licence renewals
- Supply cover
- Exam staff and exam fees
- Educational visit costs
- CRB Clearance, recruitment screening and, occupational health fees
- Payment against SLAs and contracts (i.e. photocopiers, security, catering, water fountains, payroll provider etc.)
- Emergency building repairs (i.e. fire/intruder alarm, lift or gas maintenance calls where immediate resolution is required for health and safety reasons. For non-urgent responsive repairs an order should be raised)

BACS changes – to prevent fraud changes to supplier BACS details will only be made when the supplier provides a written request received on a letterhead, followed up by a phone call to confirm the change to the company concerned. (This should be signed and dated on completion of the phone call). Updates to the Supplier Master File (SMF) can only be made by nominated officers within the Trust or the Central Finance team using the pro-forma attached at Appendix I. One officer must input the details into the system with the second performing an evidenced validity check.

Manual Cheques

These may be used in exceptional circumstances and made under the rules and regulations set out elsewhere in this manual. The only cheque books within the Trust are held by the Central Finance team.

Direct Debits – may be set up in certain circumstances, subject to the advance approval of the Trust’s Central Finance Team.

12.2 Payments to individuals

There are circumstances in which it may be appropriate for the Trust to engage an individual on an “off payroll” basis and the fact that an individual is engaged off payroll doesn’t mean that they are paying an incorrect amount of tax. However, when an individual is not on the payroll, it is not always clear to the Trust whether the individual is paying the right amount of income tax and National Insurance in relation to their role.

Examples of this include: -

- self-employed and paying income tax and NICS via self-assessment;
- supplied by an agency and on the payroll of the agency; or
- working through a personal service company and genuinely in business on their own account, drawing the profits as salary or operating within the IR35 rules and thereby paying income tax and National Insurance contributions to HMRC

There is no requirement for a personal service company to operate PAYE on their income provided that income is not from a contract which would be one of employment if the worker was not engaged through a personal service company. Many people who work through personal service companies will choose to withdraw at least part of their profits as salary and pay the income tax and NICs associated with doing so. However, personal service companies can be used to disguise employment income and provide the opportunity for the worker to avoid tax and NICs and this is why the government brought in the IR35 rules. There are 3 broad categories of off payroll workers as follows: -

- Senior management – where the tax arrangements of individuals should not be open to question. Individuals should therefore be on the payroll, unless there are exceptional, temporary circumstances;
- Long-term contractors – where the importance of such roles and the size of payment means that the Trust should have the right to assure themselves that income tax and NICs obligations are being met; and
- Short-term contractors – where the potential for assurance needs to be balanced against additional burdens placed on the Trust and contractors, so it should not be compulsory for the Trust to place the right to seek assurance in contracts, though it may choose to do so.

The Trust will therefore operate the following rules when engaging any “off payroll” staff:

- All workers, including consultants and those operating through personal service companies, who are not on the Trust’s payroll will be reviewed initially through the government’s Employment Status Indicator tool (ESI) at:

<http://tools.hmrc.gov.uk/esi/screen/ESI/en-GB/summary?user=guest>

If they are deemed to be employees then further advice must be sought from the Central Finance team. These checks must be undertaken at the first point of service provision and then reviewed annually. Each arrangement must be considered individually on its own merit

also and with consideration of the relationship with the Trust as a whole and not just individual schools within it.

- All Board members and senior officials with significant financial responsibility should be on the organisation's payroll, unless there are exceptional circumstances – in which case the Accounting Officer should approve the arrangements – and such exceptions should exist for no longer than six months;
- Where the tool concludes a worker is not an employee of the Trust then engagements of more than six months in duration and for more than a daily rate of £220, should include contractual provisions that allow the Trust to seek assurance regarding the income tax and NICS obligations of the engagee – and to terminate the contract if that assurance is not provided.

Where a worker is legitimately deemed to be self-employed then payments can be made to individuals on the production of an invoice.

The generated reference number from the ESI tool must be kept with the invoice. If the enquiry shows that the payment cannot be made to the individual via the invoice produced, the appropriate form should be completed and the individual must be notified and subsequently paid through the Trust's payroll provider.

Individual staff members can also be reimbursed for expenses incurred in the course of their duties via the Staffing Ledger in PS Financials, providing where applicable, a valid VAT receipt is provided and the expenditure was approved in advance via the requisitioning process. This is the recommended alternative to operating a petty cash imprest account.

13. Other Purchasing - Petty Cash

The Trust wishes to encourage all of its academies to move towards a "cashless" operation and as such the operation of any petty cash imprest funds must only be done with the advance approval of the Chief Operating Officer. Where petty cash imprests are approved reimbursements from the Central Finance team will be actioned upon receipt of the claim form attached at Appendix J. Receipts with a VAT breakdown should be attached to this form prior to submission.

13.1 On-Line Purchases & Use of Purchasing Cards

It is recognised that on-line purchases will be made where it is more efficient and effective to do so and value for money can be demonstrated. Purchasing cards have been issued for the purposes paying for goods and services when the normal ordering processes are not possible. The procurement of goods and services through the use of purchasing cards should be kept to a minimum and must follow all aspects of these financial procedures in respect of the approvals required prior to a purchase being made. For the avoidance of doubt this includes the preparation and submission of a requisition and the raising of an order in PS Financials as per the "Ordering Goods and Services" procedures above.

If purchasing goods or services using the internet, the Academy should only purchase from secure sites (those displaying "https" at the start and displaying a padlock symbol. Academies should not click on links to on-line shops in e-mails, as they may link to fraudulent sites, and addresses should be typed manually.

Nominated Head Teachers and SBMs have custody of purchasing cards for orders placed over the internet. A list of nominated individuals is attached at Appendix K.

The transaction is recorded in PS Financials as soon as possible and the transaction reference number recorded on the documentation.

In PS Financials purchasing card transactions are recorded using a specific transaction type. This can be either to pay a supplier invoice received, or posted as a 'non-supplier' payment, direct to the relevant cost code.

VAT rules still apply to purchases made using the card; therefore VAT receipts must be requested. Some smaller traders may use third party payment agents (e.g. PayPal) who are unable to issue VAT receipts or invoices. Academies must ensure that they obtain a valid invoice / receipt from the supplier direct.

Receipts must be attached to the statement to show a clear audit trail. When orders are placed with the supplier an order confirmation will usually be displayed or an e-mail received together with the method of payment. This must be printed off and kept with the authorisation to purchase (along with all transaction documentation and associated e-mails).

The purchasing card should be held securely by the named officers at all times and the PIN code not disclosed to any other party. Purchasing cards should not be used by any other individuals who are not the nominated holder of the card under any circumstances. No private or personal purchases must be made using these cards and all orders must be received into the respective Academy and not to a home address.

Wherever possible there should be a segregation of duties between those using the card and those responsible for reviewing and reconciling the statements. Where this is not possible this will be subject to oversight by the Central Finance team and internal audit.

To safeguard against the improper use of purchasing cards limits have been set for any single and cumulative monthly transactions and only the Central Finance team card is authorised to make cash withdrawals for any purpose.

Purchasing card holders will:

- Ensure cards are held securely
- Ensure PIN numbers are not disclosed to any other persons
- Report any instances of unauthorised card use, loss of card or PIN details to the DFCS and bank immediately

13.2 Reimbursements to individuals

Requests for re-imburement to individuals should not exceed £75 and are to be made on the Request for Reimbursement Form (See Appendix L) and must be supported by receipts for the goods/services received including the VAT element. Transactions cannot be broken down to allow expenditure over £75 for one transaction to be refunded by this method.

Reimbursement may be refused if the Head Teacher or Central Finance team considers inappropriate purchasing methods have been used, or the budget holder has already spent their full allocation and did not seek prior approval to exceed the funds available. The person being reimbursed signs for receipt of the reimbursement. The reimbursement is then recorded in PS Financials as soon as possible and the transaction number recorded on the documentation.

In PS Financials, these payments can be recorded as either Petty Cash claims, or Staff Expense claims. See Petty Cash above.

- Petty Cash – where the individual needs the cash immediately.
- Staff Expense where the payment can be made to the individual via BACS or cheque.

For the approval of all payments and other requirements of these procedures each Academy and the Central Finance team will hold a specimen signatory record in the format set out at Appendix M.

13.3 Review of Aged Creditors

As part of the Trusts month-end procedure each SBM is to run and print a hard copy of an aged creditors report and undertake the following actions:

- Review any items not in the “current” column (i.e. those over 30 days)
- Provide an explanation, by means of annotation, on all non-current items, including the action to be now taken, by whom and when
- Sign and date the report and retain for audit purposes

Please also see section 14.7 as this process needs to be undertaken for aged debtors.

14. Income

The main source of income for the Trust are the grants from the ESFA. The receipt of these funds is monitored by the Central Finance team who are responsible for ensuring all grants due to the Trust are collected.

The Trust has the freedom to amalgamate a proportion of GAG funding for all its academies to form one central fund. This fund can then be used to meet the normal running costs at any of its constituent academies within the Trust. In accordance with its funding agreement a multi-academy trust must not pool PFI funding. The Trust must give individual consideration to the funding needs and allocations of each constituent academy, and must have an appeals mechanism in place.

The appeals process of the Trust should be a constituent of Academy’s Head Teacher or Chair of LGB (following discussion and support of the full LGB) if they feel that the Academy has been unfairly treated as a result of pooling they should:

- Appeal in writing appeal to the CEO as Accounting Officer (A written reply will be provided within 15 working days).
- If the Academy does not accept this response it may appeal to the Board of Directors who will constitute a panel of 3 Directors to hear the appeal. The CEO and COO will also be in attendance.
- If the Academy grievance considered by Directors is then not resolved, they can then appeal directly to the Secretary of State, via the ESFA, whose decision will be final and who can dis-apply the provisions for pooling in this handbook in relation to the Trust.

14.1 Other Grants

Each grant project should have a nominated owner for other specific grants. A grants control file should be held at each Academy. Prior to a grant bid of over £10,000 the Grant should be discussed with the Central Finance team.

Approved grants need to be built into budget assumptions and budgets loaded in terms of both income and expenditure. The grant control file should be retained by Business Support staff with copies of the initial bid, the offer letter and the terms and conditions that need to be complied with.

Within PSF new nominal and account codes may need to be created to accurately record the specific grant spend. Copies of the original invoices should be kept on the grant control file and should be retained according to the grant conditions. Once claims have been settled the income needs to be posted as it comes into the bank.

Academy Business Support staff also need to discuss with the Central Finance team auditing arrangements as some grants will need an independent review or year- end certification which will have to be arranged and which may not be covered by the grant allocation as it is deemed to be ineligible spend. This will mean an additional cost outside of the grant.

Any grants not administered correctly or not being used for the purpose intended could be liable for claw back. Equally consideration has to be given to ensure that the outputs or outcomes that were set out in the bid have been achieved.

14.2 Income collected by the Trust

The Trust collects income from parents or the public for:

- School Meals
- Trips and residential visits
- Book bags & Uniform
- Nursery Places
- Breakfast & After School Club fees
- Lettings
- Reimbursements from various parties for activities in which the trust plays an active role
- Extended Schools Activities

All receipts are generated and numbered automatically within PS Financials. All cash and cheques must be held securely prior to banking and banked intact and with a pre-numbered sequential receipt issued where no other documentation exists. Cash collections will take place weekly or more frequently if the cash sum held by a respective Academy exceeds £1,000. Actual income received must be reconciled to bankings based on pupil numbers or records maintained for each chargeable activity to allow a full audit trail to be maintained. Where income is received and banked at the “last minute” then the SBM must remember to update or amend the transaction posting in PS Financials so that it matches the receipt into the bank account.

SBMs are responsible for the day to day administration of cash collection.

In PS Financials receipts can be posted as either Debtor receipts or Non-debtor/Nominal receipts.

(Note – PS Financials allows a direct update of the bank account (e.g. where the receipt is being posted in reference to the bank statement), or the Paying-In Slip process – whereby cash sent directly to the school can be recorded against the Paying-in Slip Control Account. When the cash is banked, the Paying in process can be run to update the relevant bank account and the Paying-in Slip Control Account.)

14.3 Trips / Activities

A lead teacher must be appointed for each trip. SBMs are responsible for budgeting for the trip and collecting the sums due and liaising with the lead teacher over amounts outstanding. There must be evidence that there is no intention to make a profit from any trip or activity.

Cash/cheques sent in via pupils must be securely held and a receipt issued if requested. The value of the receipt and the number of the receipt is recorded against the pupil making the payment.

14.4 Lettings

The policy for lettings of premises is contained in the Trust's Charging, Remissions & Lettings Policy. This will be reviewed annually and approved by the Trust's Board.

SBMs are responsible for maintaining records of bookings for facilities and for identifying the sums due from each organisation. Payments must be made in advance for these facilities whenever possible and charges levied must be at least on a full cost recovery basis. An additional rate of return can be applied when operating in a commercial environment.

14.5 Bank Reconciliations

In PS Financials the routine for the bank reconciliation process is as follows and will be undertaken each week by the Central Finance team –

- Statements can be downloaded from Lloyds and imported to PS F.
- The user reconciles the values held in the Cash Book to the bank statement entries.
- Bank reconciliation summary reports are generated to support the bank reconciliation.
- Reconciliation approved by COO

14.6 Debtors and liabilities

All debts owed to the Trust should be raised in PS Financials to allow the debt to be formally recorded and generate an invoice to the debtor. Debts under £300 may be written off by the COO. Where a credit note is required to be processed to offset any whole or part debt that has been raised this must be approved by a separate individual to who raised the initial debtors invoice.

Debts over £300 may be written off only with the approval of the Trust's Finance & Resources Committee.

The trust may perform the following financial transactions up to the limits set out below:

- writing off debts and losses, including any uncollected fines; and
- entering into guarantees, indemnities or letters of comfort, excluding those relating to borrowing by the trust.

Limits:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction;
- cumulatively, 2.5% of total annual income in any one financial year per category of transaction for any academy trusts that have not submitted timely, unqualified financial returns for the previous two financial years. This category includes new academies that have not had the opportunity to produce two years of financial statements; and

- cumulatively, 5% of total annual income in any one financial year per category of transaction for any academy trusts that have submitted timely, unqualified financial returns for the previous two financial years.

In relation to these limits:

- the amounts for write off are before any successful claims from an insurer;
- total annual income is defined as grant income as disclosed in the Trust's last set of audited accounts. The ESFA should be contacted if the trust has not yet produced audited accounts;
- the categories of transactions are defined as (a) write off of debts and losses, and (b) guarantees, indemnities and letters of comfort.

Beyond these limits the Trust must seek and obtain explicit and prior approval of the Secretary of State, through the ESFA, for the transaction.

The following debt recovery policy will be applied:

- If payment has not been received 30 days after invoice the SBM will issue a reminder asking for payment within 5 working days (pro-forma attached at Appendix N).
- If payment is not forthcoming, a further reminder will be sent by the SBM, requesting immediate payment or contact to arrange an instalment plan. This will include a threat will to put the matter into the hands of a nominated Solicitor if payment is not received within the next 5 working days (pro-forma attached at Appendix O).
- If no payment is received after a further 10 working days and the debt is over £100, the COO should be informed who will liaise with the nominated solicitor who will be asked to pursue the debt with the debtor being notified accordingly.
- Where the nominated solicitor subsequently advises the debt is non-recoverable then approval will be sought from the Trust's Finance & Resources Committee to write the debt off.
- Debts of £100 or less will be pursued without reference to the nominated solicitor, with any write offs authorised by the COO being reported to the Trust's Finance & Resources Committee retrospectively.

14.7 Review of Aged Debtors

As part of the Trusts month-end procedure each SBM is to run and print a hard copy of an aged debtors report and undertake the following actions:

- Review any items not in the "current" column (i.e. those over 30 days)
- Provide an explanation, by means of annotation, on all non-current items, including the action to be now taken, by whom and when
- Sign and date the report and retain for audit purposes

Please also see section 13.3 as this process needs to be undertaken for aged creditors.

15. Treasury Management

15.1 Trust Banking Arrangements

The Trust has appointed Lloyds as their bankers for all funds on a daily basis. No separate school or private fund bank accounts can exist without the express written approval of the COO with the presumption that these will not be approved. The opening of all bank accounts must be authorised by the Trust's Finance & Resources Committee.

15.2 Cash Flow Forecasts

The Central Finance team is responsible for preparing cash flow forecasts to ensure that the Trust has sufficient funds available to cover day-to-day operations and where possible allow the investment of surplus funds in line with the Trust's Treasury Management & Investment Policy. These will be presented to each meeting of the Trust's Finance & Resources Committee.

15.3 Borrowing

In line with funding agreements, the Trust must seek ESFA's prior approval for borrowing (including finance leases and overdraft facilities) from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies, and regardless of the interest rate chargeable. Purchasing cards must only be used for business (not personal) expenditure, and balances cleared before interest accrues.

The Secretary of State's general position is that academy trusts will only be granted permission for borrowing in exceptional circumstances.

15.4 Leasing

There are two types of lease:

- **Operating leases** - these do not represent borrowing
- **Finance leases:** these are a form of borrowing

The Trust does not require ESFA's approval for operating leases except for some transactions relating to land or buildings.

The Trust must obtain ESFA's prior approval from for the following leasing transactions:

- taking up a finance lease on any class of asset for any duration from another party (borrowing)
- taking up a leasehold or tenancy agreement on land or buildings from another party for a term of seven or more years
- granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party

Academies must ensure that any lease arrangement maintains the principles of value for money, regularity and propriety whether or not ESFA's prior approval is required. Academies should seek advice from the Central Finance team if they are in any doubt over whether a lease involves an element of borrowing.

15.5 Reserves

Each academy's budget is to be managed in line with the Trust's Policy on Financial Reserves which will be reviewed annually. This provides for a minimum overall balance (cumulative and not annual) to be maintained based on the Trust's estimated working capital and prudence requirements

16. VAT

16.1 VAT Claims & Registration

The Trust registered for VAT with effect from 1 September 2018, with quarterly returns due thereafter and completed by the Central Finance team. A more detailed VAT policy guidance document has been produced for use by individual academies within the Trust. Any VAT queries should be referred to the Central Finance team.

17. Fixed Assets

The treatment of Fixed Assets is detailed in the Trust's Assets & Disposals Policy. As part of the month end procedures SBMs will inform the Central Finance team of any capital expenditure incurred during the period or receipts received. This will allow depreciation to be posted on a quarterly basis for any new additions, and likewise be adjusted for any disposals, as part of the production of the Trust's quarterly consolidated management accounts.

Academy trusts must seek and obtain prior written approval from the Secretary of State, via the ESFA, for the following transactions:

- acquiring a freehold of land or buildings;
- disposing of a freehold of land or buildings; and
- disposing of heritage assets beyond any limits set out in the trust's funding agreement in respect of the disposal of assets generally.

Academy trusts may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State.

Academy trusts must ensure that any disposal maintains the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.

Some property transactions may be novel or contentious and so require the consent of the Secretary of State on that basis.

17.1 Inventories

It is the responsibility of each Academy to maintain an inventory of any item of equipment with an initial cost value of £200 or more in a form as set out in Appendix P.

Assets with an initial cost value of over £1,000 and an estimated useful life of more than one year will be depreciated in accordance with the Trust's Assets and Disposals Policy. Items with an initial cost of under £1,000 can be disposed of or written off by an Academy's Head Teacher. Any disposals or write offs above this limit must be authorised by the COO who will ensure any potential residual value in the equipment is realised and value for money is achieved.

All the items in the register and the inventory should be permanently 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. This check should be evidenced. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the COO.

All disposals and write offs must be authorised in line with the limits above and recorded in writing on the pro-forma attached at Appendix Q.

Each Academy must also ensure any items of ICT or equipment which are loaned out on a temporary basis are updated immediately in the inventory and with the name of the individual or establishment this has been loaned to and with the date of return recorded. The individual in receipt of the equipment should sign a declaration to accept responsibility for the safe keeping and return of the Trust's property. This will assist in supporting the Accounting Officer in the discharge of their duties.

Each Academy will also maintain a key inventory which will be kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security ensures to be put in place and for the inventory to be updated.

17.2 Reporting responsibilities for disposals, write offs, leases and assets

In all transactions, irrespective of whether the Secretary of State's approval is required, the Trust will:

- obtain relevant professional advice where appropriate, including that of their external auditor where necessary;
- ensure that the decision represents value for money, and is justified as such;
- agree internal delegation levels within the Trust; and
- disclose aggregate figures for transactions in each of the relevant categories as a note to their annual accounts. In addition, separate disclosure is required in the annual accounts of each transaction at 17 above £5,000.

18. Computer Systems

Systems should be in place to protect key computer data and control features will include:

- Back-up Procedures
- Passwords – these should never be shared
- Disaster recovery plans
- Ensuring that where USB data sticks are used this are encrypted
- All other provisions of the Trust's GDPR Policy are upheld

19. Insurance

The Trust must ensure that it has adequate insurance cover in compliance with its legal obligations or has opted into the academies risk protection arrangements (RPA) which is the position of NPCAT. Not all risks are covered in the RPA as follows:

- Motor Vehicle
- Engineering Inspections

Where cover is required in one of the 2 areas above the Trust has registered for cover using the CPC consortium arrangement. This allows for quotes for individual cover for respective Academies to be

obtained by Business Support staff through an agreed framework which can demonstrate value for money. Requests for quotations should be made through this framework at least 2 weeks in advance of the cover being required. This is accessed via:

<http://www.thecpc.ac.uk/suppliers/categories/framework.php?categoryID=9&frameworkID=124>

20. Reporting to the Education & Skills Funding Agency (ESFA)

20.1 Novel and contentious transactions

Novel payments or other transactions are those in which the Trust has no experience, or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the Trust by the public or the media.

It is difficult to be specific about what might constitute novel or contentious payments; it is for trusts to use their judgement about when they should seek the prior advice of the ESFA. Public money must always be spent prudently and in ways that command broad public support.

Novel and contentious transactions must always be referred to the ESFA for explicit prior authorisation. If there is any doubt about the transaction academies should seek advice from the Central Finance Team.

20.2 Annual Accounts

As a charitable company the Trust must comply with company law as set out in the Companies Act 2006. This includes a requirement to prepare a governors' report and financial statement ('annual accounts') and for these to be independently audited by a registered auditor. Financial Statements should be prepared to 31st August each year. They should include:

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

The Annual accounts must be submitted by 31st December. As soon as the DFE deadline, but by no later than 31st May (9 months after the end of the accounting year), a copy of the governors annual report and audited final accounts must be sent to Companies House.

20.3 Management Accounts

While not required for submission to the ESFA the Trust will prepare management accounts which will be reported to the Trust's Board and Finance & Resources Committee on a quarterly basis. These accounts will be produced individually for each respective Academy, the Central Finance team and on a consolidated basis for the Trust overall. Head Teachers, in conjunction with the COO, must ensure individual Academies are resourced and appropriately trained to comply with the month end timetable as set out Appendix R.

21. Self-Assessment of Management and Governance

The Board through the COO will ensure that annually a self-assessment is undertaken in order to provide the ESFA with an annual assurance on the adequacy of the Trusts arrangements for financial management and governance.

The self-assessment will assist in providing assurance to the Trust's Accounting Officer that conditions of funding are being met, and that appropriate systems of control are in place.

22. External Auditors

The Trust Board have appointed Tait Walker LLP as our external auditors. This appointment will be reviewed on a 3-yearly basis.

A review of the Accounting Officer's statement must be included within the remit of the Trusts' external auditors. The auditor's conclusions on regularity will be addressed jointly to the Trust and to the Secretary of State through the ESFA. The ESFA will draw formal assurance from this regularity audit. Further information is included in the Accounts Direction.

23. Counter Fraud and Corruption Policy

The Trust aims to be an honest and ethical organisation. As such, it is opposed to and seeks to eliminate fraud and corruption by the way it conducts its business. The full Counter Fraud and Corruption Policy sets out the Trust's approach and procedures for dealing with the risk of significant fraud or corruption.

In order to minimise the risk and impact of fraud and corruption, the Trust's objective is to embed a zero tolerance culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting.

Any instance of suspected fraud, corruption or financial irregularity must be reported immediately to the COO who will, in liaison with the Accounting Officer, judge how the matter is investigated and whether to involve the Police.

The Trust must notify the ESFA, as soon as is operationally practical based on its particular circumstances, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any academy financial year. Any unusual or systematic fraud, regardless of value, must also be reported.

24. Confidential Reporting ("Whistle Blowing") Policy

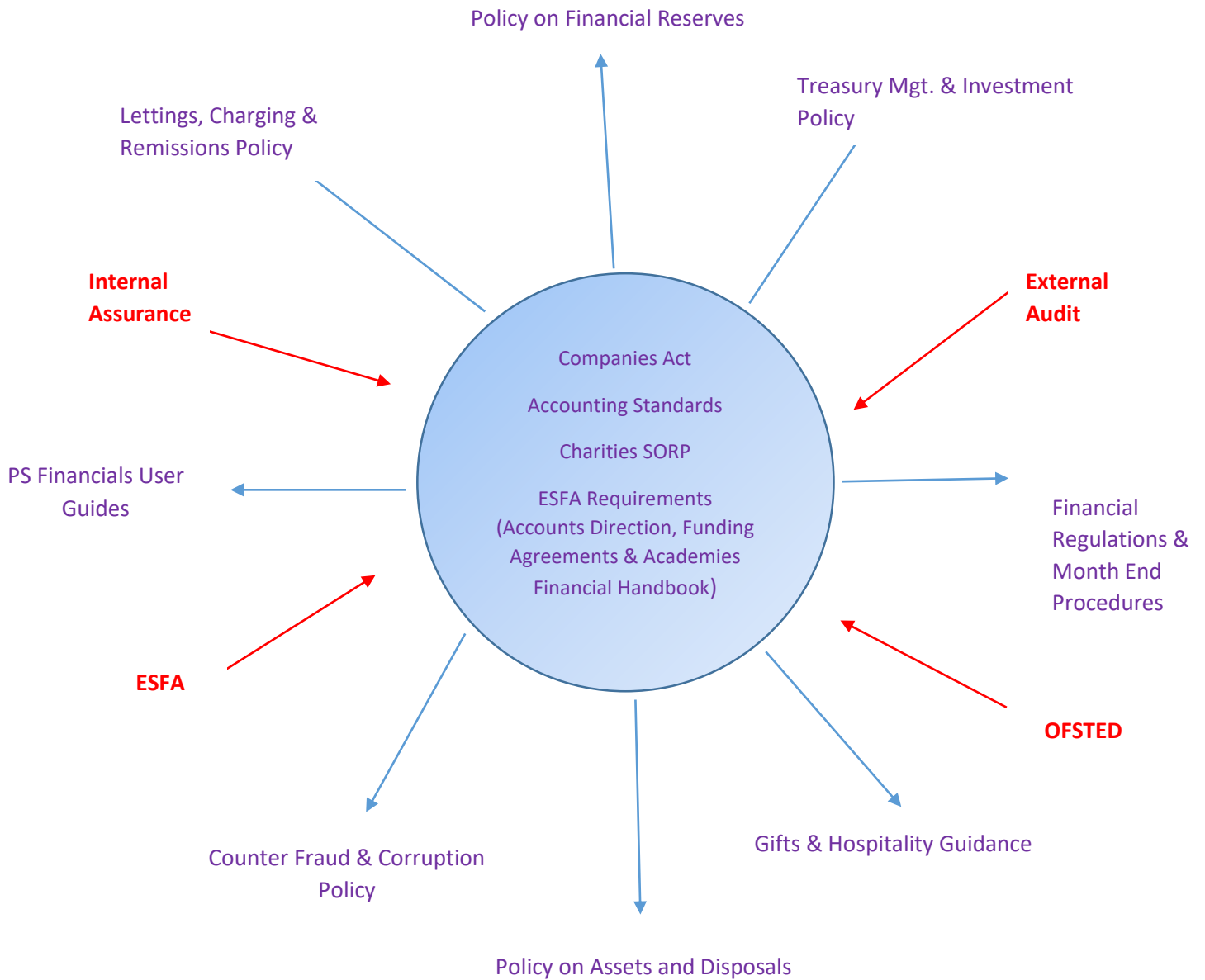
Whistle blowing has been defined as: 'the disclosure by an employee or professional of confidential information which relates to some danger, fraud or other illegal or unethical conduct connected with the work place, be it of the employee or his/her fellow employees'.

Statutory protection for employees who whistle blow is provided by the Public Interest Disclosure Act 1998 ("PIDA"). The PIDA protects employees against victimisation if they make a protected disclosure within the meaning of the PIDA and speak out about concerns about conduct or practice within the school which is potentially illegal, corrupt, improper, unsafe or unethical or which amounts to malpractice.

The Trust has adopted a Confidential Reporting Policy that applies to all school staff including full and part time, casual, temporary, substitute staff and to individuals undertaking work experience in the Trust. It also covers directors, governors and committee members.

Appendix A

NPCAT Internal Control Framework:



Non-Financial Policies:

- Risk Management
- Business Continuity
- Complaints
- GDPR
- Confidential Reporting

Other Control Elements:

- Articles of Association
- Scheme of Delegation
- Committee Terms of Reference
- Staffing Structures & HR policies

Appendix B

Annual Budget Planning Process: - Update once Scheme of Delegation reviewed and with consideration of role of LGB

Task		Comments	Date / Deadline
1	Central Finance team to undertake a high level update of the 3 year forecast based on updated October Census numbers and any updated assumptions on both funding and cost pressures.	Considered by Trust F&R Committee in December 2018. This will be a high level budget update, pupil number forecast and key financial performance indicators.	31-December-2018
2	Academies who have deficits identified from the above analysis or who or not projecting to meet the Trust's reserves target will be identified for additional support and challenge	Targeted work will commence with identified schools including agreeing timelines for any strategic action planning.	31 st January 2018
3	Budget guidance document issued by Central Finance Team. Trust to commence drafting of three year budgets	Trust to commence drafting detailed three year budgets. All budgets should be prepared in readiness for agreed deadlines. Budgets to be set without application of reserves. Head Teachers to formally write to the Chief Operating Officer by 28 th February 2018 outlining the impact on curriculum delivery as a consequence of proposed budget options.	28 th February 2018
4	Budget Planning & Briefing Day	Session will go over the key points of budget setting approach and HCSS input.	First week in March 2018
5	Academies to finalise three year budgets	After receipt of ESFA GAG funding statements budgets should be finalised along with all requested working papers and explanatory notes.	31 st March 2018

6	Trust scrutiny	<p>On receipt of academy budgets the Chief Operating Officer will review them for compliance against Financial Regulations and budget setting requirements.</p> <p>Initial review by Trust Finance & Resources Committee including the approval of any utilisation of Trust reserves</p>	30 th April
7	School Review	<p>During May each academy will review proposed budgets once agreed with individual Head Teachers.</p> <p>A copy of the recommended budget should be signed by both the Academy HT and LGB Chair as evidence they will manage resources iaw the agreed plan.</p>	31 st May 2018
7	Trust's Finance & Resources Committee Budget Consideration	<p>The Trust's Finance & Resources Committee will consider all budgets in reference to the requirements set out in Financial Regulations.</p> <p>If rejected the budget will need to be reconsidered and re-worked, until it can be approved by the Trust.</p>	NLT 30 th June 2018
8	Board Approval	<p>Recommendation from Trust Finance & Resources Committee to full Board to approve overall Trust budget and MTFS.</p>	First week in July 2018
9	Central Finance team to load budgets into PS Financials and ESFA BFR return submitted.	<p>In readiness for the new academic year the budgets will be loaded by the Central Finance team into PS Financials.</p>	Friday 20 th July 2018

Appendix C

Approved Virement Limits:

- Up to £10,000 – Head Teacher
- Up to £50,000 – Chief Operating Officer
- Over £50,000 – Trust Finance & Resources Committee

Appendix D

<u>NICHOLAS POSTGATE CATHOLIC ACADEMY TRUST – NEW NOMINAL CODE REQUEST FORM</u>
--

Range (tick as appropriate):	
1000 – Income	5100 – 6499 – Other Expenditure
2000 – Salaries	6500 – 6899 – Educational Visits
3000 – Premises	8000 – 8099 - Capital
4000 – Curriculum	9630 – 9699 - Trips
5000 – 5099 Catering	
Description of why a new code is required:	
Requested by:	
Date:	
Approved/Rejected:	
Reason for rejection:	
Approved and created in PS Financials: (insert new code)	
Created by:	
Date:	

Appendix E

Authority to sign a Contract on the Trust's Behalf & Within Delegated Limits:

1. Goods/Services/Works relating to one Academy and up to £15,000:

Head Teacher

Deputy Head Teacher

2. Goods/Services/Works relating to one Academy or the Trust and up to £75,000:

Accounting Officer

Chief Operating Officer

3. Goods/Services/Works relating to one Academy or the Trust and equal to or above £75,001 :

Directors

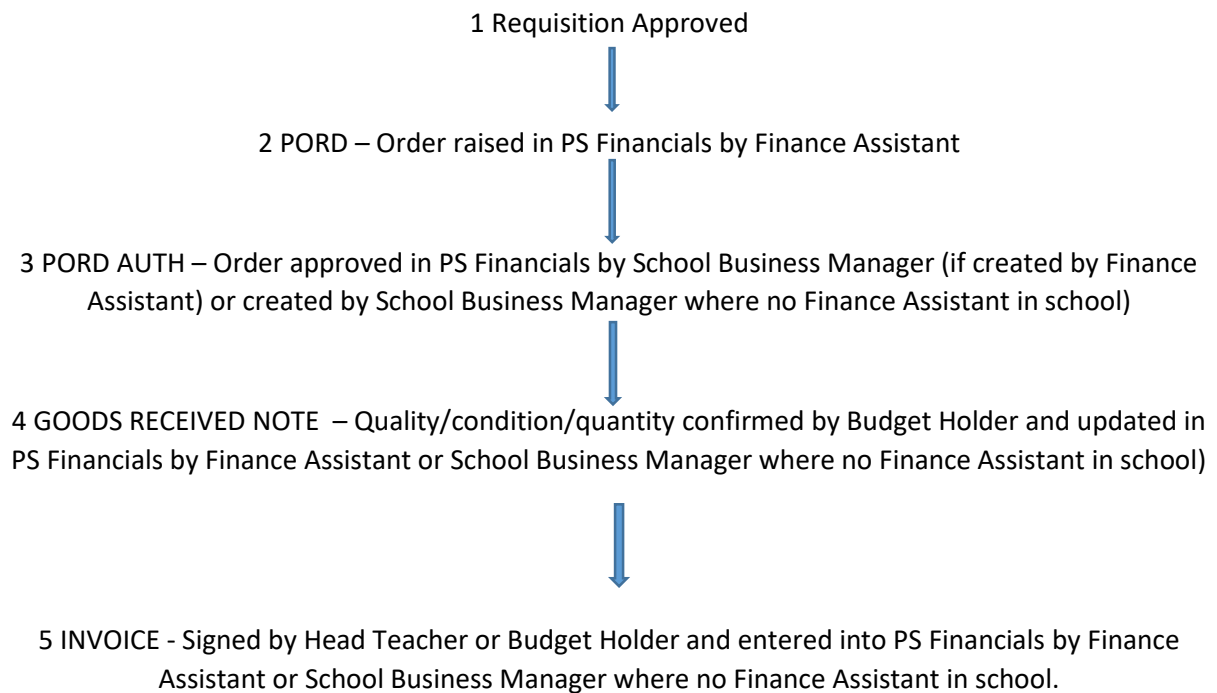
OR

Accounting Officer / Chief Operating Officer where the minutes approving the contract are attached as evidence

Appendix G

<u>Nicholas Postgate Catholic Academy Trust – Order Requisition Form</u>				
ACADEMY _____		SUPPLIER _____		
DATE OF REQUEST _____		PSF CODE/DEPT. _____		
BUDGET HOLDER _____		SIGNATURE _____		
HEAD TEACHER SIGNATURE IF VALUE OVER £1,000 _____				
Part or Ref No.	Description	Qty.	Price	Total Value
ORDER TOTAL				
<p><i>In signing and submitting this form you are certifying that the items ordered are required for the Academy's purposes and that the correct procedures for tenders and quotations as set out below have been observed in with the Trust's Financial Regulations.</i></p> <p><i>Please notify the School Office/SBM within 2 days of receipt, if the goods or services ordered are not of satisfactory quality for their intended purpose.</i></p>				
<u>For Office Use Only:</u>				
Are there sufficient funds available from the specified budget?		YES / NO		
Is evidence attached to this requisition to satisfy compliance with VFM tendering limits, as follows (mark as appropriate) :				
£0-£3,000 – the budget holder can demonstrate VFM if challenged with a firm price or quote obtained. E-mail, quotation etc. must be attached to the Purchase Order.				
£3,001 - £5,000 – a note of 3 verbal quotations must be attached to the Purchase Order				
£5,001 - £15,000 – 3 formal written quotations must be retained and attached to the Purchase Order				
£15,001 - £49,999 – Additional advance approval required from Central Finance Team and 3 formal written quotations must be retained and attached to the Purchase Order				
£50,000 - £75,000 – Advance approval from Trust's Central Finance Team and with formal specification drawn up and full tendering exercise completed				
£75,001 and above – Advance approval from Trust's Finance & Resources Committee and with formal specification drawn up and full tendering exercise completed. See section 9 of Financial Regulations and need to comply with OJEU limits				
Approved for order to be raised in PS Financials:				
Signed _____		Name _____		
Order No. _____	Invoice No. _____	GRN _____	Date Paid _____	

Appendix H



Note – to maintain an adequate segregation of duties in schools with no Finance Assistant then School Business Managers should not be nominated budget holders with the authority to approve orders below £1,000

All non-order invoices must be signed and dated by the Head Teacher before being entered into PS Financials for payment.

Appendix I

**NICHOLAS POSTGATE CATHOLIC ACADEMY TRUST
NEW SUPPLIER REQUEST**

Account Code	
Company Title	
General Comments	
Email Address for Orders Email Address for Invoices If different	
Credit Limits	
VAT Number	
Address	
Contact Details	
Factoring Company used Y/N? (Name & Address if Y)	
BACS Account Number	
Sort Code	
Account Name	
Payment Terms	
Requesting School	
Contact Name/ Telephone No	
Date Requested	
Date Completed	

Appendix J – Consolidated Petty Cash Re-imbusement Form

Nicholas Postgate Catholic Academy Trust – Consolidated Petty Cash Imprest Reimbursement Form				
Receipt Ref.	Description	Net Amount	VAT	Gross
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
<p>SBM Signature: Date:</p> <p>Central Finance Team Approved: Date:</p>				

Appendix K

Individuals with Trust Purchasing Cards:

Not to be included on public document for website

Appendix L

NICHOLAS POSTGATE CATHOLIC ACADEMY TRUST – REQUEST FOR REIMBURSEMENT FORM

PS FINANCIALS NOMINAL CODE _____

EMPLOYEE _____

SIGNATURE _____

HEAD OF DEPARTMENT/BUDGET HOLDER AUTHORISATION _____

Description	Amount Claimed

For Reimbursing Officer Only:

Only refund if valid receipt attached with VAT breakdown

Reimburse through Staffing Ledger in PS Financials or Petty Cash. Maximum reimbursement is £75 for any complete transaction otherwise decline as requisition process should have been followed.

Reimbursing Officer _____

Signature _____

Date _____

Appendix M – Specimen Signature Record

Officer Name	Signature	Requisition Approval	Invoice Approval	Credit Note Approval	Contract Authorisation
COO Counter Signed:	Date:				

Appendix N – 7 Day Reminder Letter

USE TRUST LETTERHEAD

[Date]

Dear

Reference/ Account Number:

Have you forgotten?

Our records show that a payment of £x.xx is still outstanding in respect of

Please send your payment to reach us within the next 5 working days or further action may result.

Thank you.

Yours Sincerely

Chief Operating Officer

Appendix O – Debtors Final Reminder Letter

USE TRUST LETTERHEAD

Date]

Dear

Reference/ Account Number:

Court action will be the consequence of your ignoring this letter.

Despite our telephone conversations on [dates] and our letters of [dates], and your promise to pay, payment of your account has still not been received. If full payment is not received by [date] the matter will be referred to our solicitors to commence legal proceedings. If you allow this to happen you will incur court costs and you may forfeit your credit status because your name will be recorded by the major credit reference agencies. This may deter others from supplying you.

You are also being charged debt recovery costs and statutory interest of 8% above the reference rate (fixed for the six month period within which date the invoices became overdue) pursuant to the late payment legislation.

To stop this from happening please pay in full now or contact me to put forward your proposals.

Yours sincerely

Chief Operating Officer

Amount overdue: £

Interest: £

Debt recovery costs: £

Payment terms: X days from date of invoice Account: 1234

Appendix Q – EQUIPMENT DISPOSAL & WRITE OFF FORM

<p>Nicholas Postgate Catholic Academy Trust</p> <p>Equipment Disposal Form</p>				
Description				
Quantity				
Serial Number				
Write Off	Obsolete	Transferred	Sold	Lost/Stolen
<p>New location if transferred _____</p> <p>Authorised _____</p> <p>Counter Signature _____</p> <p>COO Signature if residual value estimated over £1,000 _____</p> <p>Date _____</p>				

Appendix R – MONTH END FINANCIAL TIMETABLE & PROCEDURES – to be circulated as a separate document

Appendix S

Exemption from Trust Tendering Procedures Requests

The Nicholas Postgate Catholic Academy Trust needs the power to waive the requirement of its internal tendering procedures in certain circumstances. No exemptions can be used if the estimated value of the goods or services exceeds OJEU thresholds.

An exemption from the Trust's requirements allows a contract to be placed by direct negotiation with one or more suppliers. All exemptions, and the reasons for them, must be recorded using the appropriate form. Exemptions shall be signed by the Accounting Officer, Chief Operating Officer and the Chair of the Trust's Finance & Resources Committee.

The following lists the details that allow exemptions

- Any contract or sub contract that is substantially for the undertaking of services in which the exercise of specialist professional knowledge and skill is of primary importance and where such professional knowledge and skills is only available from a single provider, or a limited range of suppliers.
- For work, supplies and services which are patented or of a proprietary or special character and for which it is not possible or desirable to obtain competitive prices.
- Where for technical, commercial or artistic reasons or because of exclusive rights, it is not reasonable to advertise for tenders.
- The Chief Operating Officer must be consulted where the contract is an extension to an existing contract and a change of supplier would cause:
 1. Disproportionate technical difficulties
 2. Additional costs
 3. Significant disruption to the delivery of Academy operations
- Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Academy operations, the Accounting Officer or Chief Operating Officer may approve the exemption but must prepare a report for the next Trust Finance & Resources meeting to support the action taken.

The Chief Operating Officer must monitor the use of all exemptions and therefore all forms should initially be sent to this post holder. The signature sign off on the form details the order in which the list should be signed and approved.

Form – Exemption Request from Trust Tendering Procedures

Originator Employee

.....
Academy/CMAT

.....
What is the main reason for the exemption based on the approved criteria for exemptions?

Please advise on details of the Company, amounts and duration of proposed contract

Please detail the reason why this approval cannot go through the standard procurement route

Approved yes/no – If no please detail the reason below

.....

Approved by (Signature and Dates)

.....
Chief Operating Officer

.....
Accounting Officer

.....
Chair of the Trust Finance & Resources Committee (or Board prior to 1 Sept 18)

.....