



# COX GREEN SCHOOL

## Financial Regulations Manual and Policy

This policy was approved and ratified by the  
Finance and Resources Committee of  
Cox Green School  
on  
10<sup>th</sup> October 2017

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## 1. Introduction

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

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

This policy should be read in conjunction with Appendix 1 - The Cox Green School Scheme of Delegated Financial Authority.



## 2. Organisation

Cox Green School has defined the responsibilities of each person involved in the administration of school finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:

### *The Governing Body*

The Governing Body has overall responsibility for the administration of Cox Green School's finances. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the school and the ESFA and in the school's scheme of government. The main responsibilities include:

- ensuring that grant from the ESFA is used only for the purposes intended;
- approval of the annual budget;
- appointment of the Headteacher;
- appointment of the Business Manager, in conjunction with the Headteacher;
- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the ESFA guidance issued to academies;
- authorising the award of contracts as per the scheme of delegation;
- authorising changes to the school personnel establishment in line with the school's development plan:  
and
- reviewing the Internal Audit reports on the effectiveness of the financial procedures and controls.

The Governing Body may appoint a Finance and Resources Committee under terms of reference to carry out some of the above duties.

### *The Headteacher*

Within the framework of the school Development Plan as approved by the Governing Body, the Headteacher has overall executive responsibility for the school's activities including financial activities. Much of the financial responsibility has been delegated to the Business Manager and Deputy Business Manager but the Headteacher still retains responsibility for:

- Acting as Accounting Officer for the Academy
- approving new staff appointments in line with the school's Development Plan except for any leadership team posts which the Governing Body have agreed should be approved by them;
- authorising contracts as per the scheme of delegation in conjunction with the Business Manager; and
- signing cheques and authorising BACS payments in conjunction with the Business Manager or other authorised signatory

### *The Business Manager*

The Business Manager works in close collaboration with the Headteacher through whom he or she is responsible to the Governing Body and will report directly to the Governing Body in the absence of the Finance and Resources Group. The main financial responsibilities of the Business Manager are:

- signing cheques and approving BACS payments in conjunction with the Headteacher or other authorised signatory; and
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance.

### *The Deputy Business Manager*



The Deputy Business Manager works in close collaboration with the Business Manager and Headteacher through whom he or she is responsible to the Governing Body and will report directly to the Governing Body in the absence of the Finance and Resources Group. The main responsibilities of the Deputy Business Manager are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the school financial position at a strategic and operational level within the framework for financial control determined by the Governing Body;
- 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 school;
- the preparation of monthly management accounts;
- authorising orders as per the scheme of delegation in conjunction with budget holders :

### ***The Internal Auditors***

The Governing Body have appointed MHA MacIntyre Hudson to carry the internal audit function to provide the Governing Body with an independent oversight of the school's financial affairs. This is to provide the Governing Body with independent assurance that:

- the financial responsibilities of the Governing Body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained; and,
- financial considerations are fully taken into account in reaching decisions.

MHA MacIntyre Hudson will undertake an alternating two year programme of reviews with one year testing the key controls and the following year the governors will select one area for an in-depth audit. This will ensure that financial transactions have been properly processed and that controls are operating as laid down by the Governing Body. A report of the findings from each visit will be presented to the Audit committee.

### ***Other Staff***

Other members of staff, primarily the Finance Officer and budget holders, will have some financial responsibilities and these are detailed in the following sections of this manual. All staff are responsible for the security of school property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the school's financial procedures.

### ***Register of Interests***

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all school governors and Senior Leadership staff are required to declare any financial interests they have in companies or individuals from whom the school may purchase goods or services. The register is open to public inspection.

The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the school. The disclosures should also include business interests of relatives such as a parent or spouse or business



partner where influence could be exerted over a governor or a member of staff by that person.

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



### 3. Accounting System

All the financial transactions of the school must be recorded on the Civica Resource Financial accounting system. This system is operated by the Finance Department.

#### ***System Access***

Entry to the finance system is password restricted and forced password changes occur every three months.

Access to the component parts of the finance system can also be restricted and the Business Manager is responsible for setting access levels for all members of staff using the system.

#### ***Back-up Procedures***

The school Network Manager is responsible for ensuring full back ups of the Civica Finance System every 24 hours. Hard copies of the trial balances and system reconciliations are printed on a monthly basis.

#### ***Transaction Processing***

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the manual. All journal entries made by the Finance Officer will be checked by the Deputy Business Manager when preparing monthly management accounts. Bank transactions should be input by the Finance Officer and the input should be checked during the bank reconciliation at the end of the month and signed to evidence this check, by the Deputy Business Manager.

#### ***Transaction Reports***

The Business Manager will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The report obtained and reviewed will include:

- the monthly trial balance and balance sheet reconciliations;
- monthly management accounts prepared on an accruals basis summarising expenditure and income against budget at budget holder level, a balance sheet and a 12 month cashflow forecast.

The Headteacher will obtain and review the system reports on an adhoc basis to ensure that only regular transactions are posted to the accounting system. The reports obtained and reviewed will include:

- monthly management accounts prepared on an accruals basis summarising expenditure and income against budget at budget holder level, a balance sheet and a 12 month cashflow forecast.
- Payroll reports

#### ***Reconciliations***

The Deputy Business Manager is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:

- sales ledger control account;
- purchase ledger control account;
- payroll control account;
- all suspense accounts; and
- bank balances per the nominal ledger to the bank statements.

Any unusual or long outstanding reconciling items must be brought to the attention of the Business Manager. The Business Manager will review and sign all reconciliations as evidence of her review.



#### 4. Financial Planning

The school prepares both medium term and short-term financial plans.

The medium term financial plan is prepared as part of the development planning process. The development plan indicates how the school's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

The development plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the school and the planned use of those resources for the following year. The development planning process and the budgetary process are described in more detail below.

##### *Development Plan*

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

The form and content of the development plan are matters for the school to decide but due regard should be given to the matters included within the guidance to academies and any annual guidance issued by the ESFA. Each year the Headteacher will agree a planning cycle and timetable with the Governing Body which allows for:

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

Completion of financial reporting in the form and timing required by the ESFA:

Date	Action	Relevant Form
October 31 <sup>st</sup>	Submission of Land and Buildings Collection tool	Online form
December 31 <sup>st</sup>	Submission of the following to the ESFA: <ul style="list-style-type: none"> <li>• Audited accounts, comprising the Annual Report and the Financial Statements</li> </ul>	As per Accounts direction and Financial handbook
January 19 <sup>th</sup>	Academies Accounts Return	Online form
March 31 <sup>st</sup>	ESFA issues final funding allocations for forthcoming year from 1 Sept to 31 August	
May 18 <sup>th</sup>	Submission of Budget Forecast Return Outturn (BFRO) for current year	Online form
May 31 <sup>st</sup>	Deadline for filing audited accounts with Companies House	
July 31 <sup>st</sup>	Submission of Budget Forecast Return (BFR) to the ESFA for forthcoming year	Online form





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

For each objective, the lead responsibility for ensuring progress is made towards the objective will be assigned to a member of the Leadership Team. The responsible leader should monitor performance against the defined success criteria throughout the year and report to the senior management team on a quarterly basis. The Headteacher will report to the Governing Body if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

### ***Annual Budget***

The Business Manager and the Deputy Business Manager is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Governing Body.

The approved budget must be submitted to the ESFA by 31<sup>st</sup> July and the Deputy Business Manager is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

The annual budget will reflect the best estimate of the resources available to the school for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of students to estimate the amount of ESFA grant receivable;
- forecasts of the likely number of staff required (Staff Deployment)
- review of other income sources available to the school to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of the school cost base;
- identification of potential efficiency savings; and
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. personnel establishment, pay increases, inflation and other anticipated changes.

### ***Balancing the Budget***

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

### ***Policy on Reserves***

The School has a reserves policy - appendix 14, which specifies the desired appropriate level of free reserves to be held.

### ***Finalising the Budget***

Once the different options and scenarios have been considered, a draft budget should be prepared by the Deputy Business Manager for approval by the Headteacher, Finance and Resources Committee and the Governing Body. The budget should be communicated to all staff with responsibility for budget headings



so that everyone is aware of the overall budgetary constraints.

### ***Monitoring and Review***

Monthly Management Accounts will be prepared by the Deputy Business Manager. The reports will detail actual income and expenditure prepared on an accruals basis, against budget at a summary level for the Finance and Resources Committee. A balance sheet and cash flow forecast are also prepared as part of the monthly management accounts

Budget holders are able to review their budgetary spend using the online Civica “Radio” system. Any potential overspend against the budget must in the first instance be discussed by Budget Holders with the Deputy Business Manager. The accounting system will not allow orders to be placed against an overspent budget without the approval of the Deputy Business Manager.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate.

### ***Payroll***

The main elements of the payroll system are:

- staff appointments;
- payroll administration; and
- payments.

### ***Staff Appointments***

The Governing Body has approved a personnel establishment for the school. Changes can only be made to this establishment where adequate budgetary provision exists for any establishment changes.

The Headteacher has authority to appoint staff within the authorised establishment/staffing budgets except for members of the Leadership Team whose appointments must follow consultation with the Governing Body. The Headteacher maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the Business Manager immediately.



## 5. Payroll Administration

The school payroll is administered by the Royal Borough of Windsor and Maidenhead within a service level agreement which will be reviewed annually.

### *Payments*

After the payroll has been processed but before payments are dispatched a print of salary payments by individual and showing the amount payable in total should be obtained from RBWM.

The Finance Officer should carry out a reconciliation between the current month's and the previous month's gross salary payments checking adjustments made for new appointments, resignations, pay increases, timesheet payments etc. This should be reviewed and signed by the Business Manager. The Headteacher or Business Manager should then authorise release of the payroll via an email to RBWM Payroll department.

The Deputy Business Manager should review the finance system each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and that salary payments to date are in line with budget projections.

All salary payments are made by BACS.

### *Payroll Deductions*

The payroll provider will calculate and advise the school of the amounts liable to be paid to HMRC each month. The Deputy Business Manager will ensure these amounts are paid by the due date.



## 6. Purchasing

The school wants to achieve the best value for money from all purchases. A large proportion of purchases will be paid for with public funds and the school needs to maintain the integrity of these funds by following the general principles of:

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

### **Routine Purchasing**

Budget holders will be informed of the budget available to them early in the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Budget Holder Statements are available to view online on the Civica Radio System.

Routine purchases up to £2,000 can be ordered by budget holders. Purchases above this can be approved as per appendix 1 - Scheme of delegated financial responsibility. Three written quotes or price comparisons are required for individual items or services exceeding £5,000 excluding VAT. In the first instance a supplier should be chosen from the list of current suppliers maintained by the Finance Office. A quote or price should always be obtained before any order is placed unless there is a genuine emergency e.g. emergency repairs

All orders should be made on the Civica Radio Web Requisitioning system. Budget Holders can either place the order themselves via the web requisitioning system or email/drop off a paper order to the Finance Officer who will input the web requisition, checking there is adequate budgetary provision existing. The budget holder will receive an email advising that a requisition requires approval. Once the budget holder has approved the requisition it will be forwarded to the correct authoriser depending on the level of expenditure. Usually this will be the Deputy Business Manager or the Business Manager. Once fully approved, the Deputy Business Manager will import the web requisitions into the Civica Finance System where an order will be created, authorised and emailed or posted to the supplier.

Telephone orders should only be made in exceptional circumstances. The budget holder must get approval from the Deputy Business Manager in an advance.

Whilst we aim to ensure every purchase has an approved order, it is not always possible or practicable, and there will always be some non-order invoices to enter. These will include items such as utility bills, annual subscription/licence renewals, monthly direct debit payments for annual contracted services, emergency maintenance bills or goods ordered by exception during the school holidays when Finance staff are unavailable to raise orders. It is the opinion of our Auditors that this is acceptable on occasion.

Due to the nature of the online ordering system, exam invoices, supply teaching or admin staff invoices and recruitment advertising invoices will be entered as a non-order invoice.

The budget holder must make appropriate arrangements for the delivery of goods to the school. On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) if provided and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay.



If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the Finance Office should be notified.

All invoices should be sent to the Finance Office. The Finance Officer will stamp invoices with a dated received stamp.

The invoice will be sent to the budget holder who must make a detailed check against the order and the GRN before signing and sending it back to the Finance Office. Budget holders must undertake these checks without undue delay and in any case within 7 days of invoice receipt.

If a budget holder is pursuing a query with a supplier the Finance Department must be informed of the query and periodically kept up to date with progress.

When the budget holder has authorised the invoice, the invoice should be sent to the Finance Office. It is the policy of the school to pay invoices promptly, within stated credit terms, after authorisation.

The Deputy Business Manager will check and code the invoice and pass to the Finance Officer who will match the invoice to the purchase order on Civica. The Deputy Business Manager will then approve it. Payment runs are made on a weekly basis and any cheques and associated paperwork must be authorised by one of the nominated cheque signatories. BACS payments are calculated by the Finance Officer and uploaded and submitted to Lloyds Link by the Deputy Business Manager. The BACs online authorisation is carried out by the Business Manager or Headteacher.

Cheques will be dispatched to suppliers by the Finance Officer who will then attach the payment details to the invoice and file the invoice in the appropriate file for future audit purposes.

BACS payment remittances are produced automatically by the Civica Finance System and emailed direct to the suppliers.

#### ***Orders over £5,000 but less than £30,000***

At least three quotations should be obtained by the Budget Holder for all orders of individual items or services valued between £5,000 and £30,000 excluding VAT to identify the best source of the goods/services. Records of quotations obtained should be passed to the Finance office by budget holders for audit purposes. Telephone/internet quotes are acceptable if these are evidenced before a purchase decision is made. Orders will be approved by the Deputy Business Managers and invoices counter signed by the Business Manager or Headteacher.

In the case of emergency repair works that require urgent action it may not be possible to obtain three quotes. Prior approval will be sought via email from the Finance and Resources Committee members. Where we have service/maintenance contracts in place that will be invalidated if we use another supplier for repairs, the 3 quotes will not be required.

#### ***Orders over £30,000***

All goods/services ordered with a value over £30,000, or for a series of contracts which in total exceed £30,000 must be subject to formal tendering procedures. Purchases over £172,514 (threshold from 1/1/2014) excluding VAT may fall under EU procurement rules which require advertising in the Official Journal of the European Union. Orders should be countersigned by the Headteacher or Business Manager where the expenditure is included in the budget or by the Resources Group if not in budget. Relevant professional advice will be obtained where necessary for example regarding eligibility to the



OJEU light touch regime

In the case of emergency repair works that require urgent action it may not be possible to obtain three quotes. Prior approval will be sought via email from the Finance and Resources Committee members.

### **Forms of Tenders**

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

**Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Business Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practicable. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

**Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are 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 school's requirements,
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

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

- the above methods have resulted in either no or unacceptable tenders,
- only one or very few suppliers are available,
- extreme urgency exists,
- additional deliveries by the existing supplier are justified.

### **Preparation for Tender**

Full consideration should be given to:

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

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

### **Invitation to Tender**

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

- introduction/background to the project;



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

### **Aspects to Consider**

#### ***Financial***

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

Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.

#### ***Technical/Suitability***

- qualifications of the contractor
- relevant experience of the contractor
- descriptions of technical and service facilities
- certificates of quality/conformity with standards
- quality control procedures
- details of previous sales and references from past customers.

#### ***Other Considerations***

- pre sales demonstrations
- after sales service

#### ***Financial status of supplier***

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

#### ***Tender Acceptance Procedures***

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

#### ***Tender Opening Procedures***

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

- For all contracts - An Authorised Signatory and a Governor

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

When the tendering process is to be handled by an intermediary due to the tender being of a specialist nature, the opening of will be carried out by the intermediary and therefore the paragraph above (\*) will not



apply.

### ***Tendering Procedures***

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

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

Full records should be kept of all criteria used for evaluation and for contracts over £50,000 a report should be prepared for the Governing Body highlighting the relevant issues and recommending a decision.

Where required by the conditions attached to a specific grant from the ESFA, the department's approval must be obtained before the acceptance of a tender.

The accepted tender should be the one that is considered to offer best value to the school. All parties should then be informed of the decision.

### ***Credit Card Policy***

The Business Manager and Deputy Business Manager are authorised to make purchases using a credit card issued by Barclaycard strictly on the following basis:

- For use where items may not be ordered through the school's normal procurement arrangements.
- Where sufficient budget is held for the purchase of the items.
- That purchases are limited to items for school only.
- That the use of the card is restricted to the card holder only.
- That cardholders do not exceed the monthly expenditure limit authorised on their card.
- That VAT invoices are obtained for purchases where possible.
- That there is to be no use of ATMs.
- That cash advances are prohibited.
- That staff are responsible for safe custody of cards.
- That staff are responsible for reporting the loss or theft of cards to Barclaycard and the school immediately.
- That authorised staff are issued with the bank's User guide.
- That staff sign the card immediately upon receipt.
- That the cards remain the property of the school and must be returned immediately upon request.

Monitoring of expenditure will be carried out on a monthly basis following receipt of the statement, which will be matched to receipts/delivery notes submitted to the Finance department by the cardholders. Barclaycard will be reimbursed fully each month by direct debit and the Finance Officer will journal expenditure monthly to the appropriate department/nominal codes in Civica.





## 7. Income

The main sources of income for the school are the grants from the ESFA. The receipt of these sums is monitored directly by the Deputy Business Manager who is responsible for ensuring that all grants due to the school are collected.

The school also obtains income from:

- students, mainly for trips
- Charitable donations
- the public, mainly for Theatre, Drama Studio or classroom lettings.

### *Trips*

Trip funds are recorded in Private Fund Manager by the Finance Officer.

The Trip Organiser will provide details of the trip to the finance officer who will set up the trip on our on-line payment system (Squid). Parents should make payments using their on-line sQuid account.

The Trip Organiser will liaise with the Finance Officer regarding the overall budget for the trip to ensure that no shortfall is intended. In the event of a shortfall, the continuation of the trip will be at the discretion of the Headteacher.

In the event of a surplus following completion of a trip, balances in excess of £15.00 per pupil will be offered as a refund to parents/carers. Smaller surpluses will be transferred to the 'Educational Visits Contingency Fund (EVCF). This fund is primarily used to fund any small overspends on those trips whose costs slightly exceeded budget

### *Lettings*

Cox Green School has a lettings policy. Please see appendix 6.

### *Custody*

Any cash and cheques received from parents/students are logged on a spreadsheet showing name of pupil, amount, date received and reason for payment. Any cash and cheques are kept in the Finance Office safe prior to banking. Banking should take place regularly before the sums collected exceed the insurance limit on the Finance Office safe of £3,000 cash.

Monies collected must be banked in their entirety in the appropriate bank account.



## 8. Cash Management

### ***Bank Accounts***

The opening of all accounts must be authorised by the Governing Body.

### ***Deposits***

Particulars of any deposit must be entered on a paying-in slip counterfoil with detailed information attached which include:

- the amount of the deposit, and
- a reference, such as the trip/event or nominal code for it to be credited against.

### ***Payments and withdrawals***

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

Headteacher;  
Business Manager;  
A Deputy Headteacher;  
An Assistant Headteacher

This provision applies to all accounts, public or private, operated by or on behalf of the Governing Body of the school.

### ***Administration***

The Deputy Business Manager must ensure bank statements are received regularly no less than monthly, and that reconciliations are performed at least on a monthly basis. Online statements are available. Reconciliation procedures must ensure that:

- all bank accounts are reconciled to the school's cash book;
- reconciliations are prepared by the Finance Officer
- reconciliations are subject to an independent monthly review carried out and signed by the Deputy Business Manager

### ***Petty Cash Accounts***

The school holds no petty cash.

### ***Private Fund Account***

The Cox Green School Private Fund exists for the purpose of advancing the education of the pupils by providing and assisting in the provision of facilities for the education of pupils at the school, not normally provided for from restricted GAG funds.

A school bank account is held at Lloyds Bank, Maidenhead for administering this fund and all cheques require two authorised signature. Accounts shall be made up to 31 August each year and be audited along with the Academy's Statutory Accounts.

The levels of financial delegation in regard to the Private fund are as stated in the Scheme of Delegated Financial Authority.

### ***Cash Flow Forecasts***

The Deputy Business Manager is responsible for preparing cash flow forecasts to ensure that the school



has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds.

### ***Investment Policy***

The Business Manager and Deputy Business Manager will regularly monitor cash flow and the current account balance to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of between £50,000 and £400,000 is likely to be maintained and the school will normally seek to avoid its current account going overdrawn. Funds surplus to immediate cash requirements should be transferred into a risk free Lloyds TSB deposit account bearing a higher interest rate, for a fixed period generally no longer than 6 weeks. Periodically (at least annually) the Business Manager/Deputy Business Manager will review interest rates and compare with other investment opportunities.

Any change in Policy requires the approval of Governors via the Finance and Resources Committee.

## **9. Fixed assets**

The school's capitalisation limit shall be £3,000.00 on any individual item and the Deputy Business Manager will be responsible for deciding if a purchase should be capitalised and for maintaining the asset register.

### ***Asset register***

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

- asset description
- serial number
- date of acquisition
- asset cost
- expected useful economic life
- location
- depreciation
- current book value
- re-sale value if appropriate

The Asset Register helps:

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

### ***Security of assets***

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

All the items in the register should be permanently and visibly marked as the school's property and there should be a regular (at least annual) count by someone other than the person maintaining the register.



Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Governing Body. Inventories of school property should be kept up to date and reviewed regularly. Any items used by the school which do not belong to it, should be noted.

### ***Disposals***

Items which are to be disposed of by sale or destruction must be authorised for disposal within the following limits:

Items with a residual value over £5000 - Finance and Resources Committee

Items with a residual value under £5000 – Headteacher and Business Manager

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

The school is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other school assets. If the sale proceeds are not reinvested then the school must repay to the ESFA a proportion of the sale proceeds.

All disposals of land must be agreed in advance with the Secretary of State.

### ***Loan of Assets***

Items of school property must not be removed from school premises without the authority of the Headteacher, Business Manager or Site Manager.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the school's auditors.

### ***Depreciation of Assets***

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The expected useful life of assets is defined as follows:

Leasehold Land	125 years
Leasehold buildings	30 - 50 years
Furniture and Equipment	10 years
Computer and related equipment	3 years
Vehicles	5 years