

# **West Park School**

## **Finance Policy And Financial Procedures Manual**



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# West Park School

## **Finance Policy and Procedures Manual**

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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 to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Funding Agreement with the Department for Education (DfE) and the requirements of the Education and Skills Funding Agency (ESFA).

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

## **2. Organisation and Responsibilities**

The Head 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 (GB)**

The GB has overall responsibility for the administration of the School's finances. The main responsibilities of the GB are prescribed in the Funding Agreement between the School and the DfE, Terms of Reference and in the School's scheme of government and delegation. The main responsibilities include:

- Ensuring that grants from the ESFA are used only for the purposes intended;
- Approval of the Annual Budget;
- Appointment of the Head;
- Appointment of Deputy Heads, Bursar/Director of Finance in conjunction with the Head;
- To establish sound internal control, risk management and assurance processes.

### **The Finance, Resources and General Purposes Committee (F, R & GP Committee)**

The F, R & GP Committee is a committee of the GB. The Committee meets at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the F, R & GP Committee are detailed in written terms of reference which have been authorised by the GB. The main responsibilities are:

- To advise the GB on financial strategy and policy within the resources available;
- To receive, consider and present to the GB, for approval annual estimates of the budget and revised forecasts as appropriate;
- To monitor the timely submission of grant applications and financial returns to the DfE/EFA;
- To advise the GB on the application of the Academy General Annual Grant (GAG) and other payments made to the school in accordance with current legislation;  
to receive regular reports on the school's income and expenditure as compared with budget, and report to the GB;
- To keep under general review the personnel establishment of the school and to recommend to the GB the financial limits for salaries and wages within the overall school budget;

- To advise the GB on the provision of resources and services to the school and to undertake the setting up of contracts for services as determined by the Governing Body. To consider, where appropriate, the substitution of in-house provision and to advise accordingly;
- To review the Financial Procedures Manual on a bi-annual basis together with any related matters concerning administrative systems and related equipment;
- To monitor all financial controls through internal and external audit;
- To oversee the operation of the School Fund Account;
- To determine policy with regard to virement between budget headings;
- To review from time to time the Register of Governors' business interests and to ensure its accuracy.
- To receive the annual accounts and auditors report, examine in detail, making appropriate enquiries where necessary and to recommend for approval to the GB.

## **The Head**

It is the resolution of the GB that the Head should act in the role of Chief Executive. Accordingly the GB will expect the Head to take responsibility for making proposals about the educational character and mission of the school, for the organisation, direction and management of the school and leadership of the staff and for the determination of the school's academic and other activities.

The Head Teacher has a key role in all financial matters and is The Accounting Officer as defined in the Funding Agreement and the Academies Financial Handbook. The specific controls they exercise are detailed elsewhere in this manual. Together with the School Business Manager and the appropriate Financial Consultants he will be aware of all financial transactions via:

- All financial returns authorising payroll amendments;
- Authorising and countersigning certain orders, passing authorised invoices for payment and signing cheques/BACS payments;
- Responsible to the GB for appointment of staff below the position of Deputy Head subject to the approval of the Chair of Governors
- To implement the school personnel disciplinary procedures as appropriate.

The values of the Head Teacher's delegated powers are reviewed on an annual basis.

## **Deputy Heads**

The Deputy Heads act as a cheque signatory on the school's bank accounts.

## **School Business Manager**

The School Business Manager works in close collaboration with the Head through whom he or she is responsible to the governors. The School Business Manager also has direct access to the governors via the F, R & GP Committee. The main responsibilities of the School 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 academy 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;

- To prepare a budgeted cash flow statement at the beginning of the financial year and update the actual cash flow statement monthly throughout the year;
- Be responsible for the accuracy, completeness and validity of payroll returns and for the payment of all salaries and wages including PAYE, superannuation and non-statutory deductions;
- Maintain contact with statutory authorities and other organisations.
- Ensure all financial returns are submitted on due dates.
- To investigate and generate additional sources of income for the school.
- To establish and review on a regular basis the school's Health and Safety Policy.
- Responsible for the reconciliation of School Funds.
- General financial and administrative tasks as directed by the Head.
- Responsible for maintaining school assets register.
- Review of journals posted on the accounting system.
- Authorising orders in accordance with the Scheme of Delegation.
- Authorising payments in conjunction with the Head or other authorised signatory  
To maintain and manage VAT records and produce VAT returns in accordance with Section 10;
- Responsible for the Single Central Record.

### **The Finance Officer**

The Finance Officer has a general responsibility for the smooth running of the Finance Office on a daily basis. The main duties and responsibilities are as follows:

- To deputise for the School Business Manager as appropriate;
- To supervise the letting of school facilities and maximise income;
- To supervise the sales, purchase and nominal ledgers and input data as required;
- To ensure that all income is received and recorded;
- To manage the cash book, input of data and ensuring that bank reconciliations are completed monthly or as appropriate;
- To manage the school fund in accordance with the school fund policy, ensuring that it is ready for audit at the same time as the main school accounts and liaise with auditors as necessary;
- To manage the petty cash systems and reconcile monthly;
- To provide information and reports including budget monitoring for the SMT, Governors and Budget Managers;
- To analyse and monitor whole school and departmental budgets and provide advice and assistance as necessary;
- To manage Parentpay and school input to the cashless catering system;
- To attend Governors meetings as required and report on financial issues accordingly;
- To assist the Head and School Business Manager in the preparation of budgets and end of period and year end accounts;
- To supervise the purchase and procurement process including the preparation of BACS and cheque runs;
- To maintain the asset register and organize routine checks for both general and ICT Asset registers;
- To organise school transport requirements and maintain the school minibus fleet;
- To assist in the arrangements for school photographs
- To assist in the organisation of school special events
- Raise invoices for all lettings made by the school on a monthly basis;

## **The Finance Assistant**

The main duties and responsibilities of the Finance Assistant are to;

- Input all requisitions onto the accounting system to produce an official order, and placing of those orders
- Input all invoices on to the accounting system after matching invoices to original purchase order;
- Produce a list of invoices for payment on a weekly basis for review by the Finance Officer;
- Produce the BACS pre-authorisation summary for approval by the Head;
- Raise miscellaneous invoices (non-lettings) as and when required;
- Be responsible for maintaining school fund and maintaining appropriate records in accordance with the School Fund Policy;
- Be responsible for monitoring expenditure relating to use of the franking machine;
- Maintain records of all lettings and providing a weekly summary to the relevant site staff to inform them of those bookings.
- Receipt and match up cheques and payments received;
- Receive the miscellaneous income sheets from various departments and input the data into the accounting system;
- Arrange for the banking of the general account and school fund account on a weekly basis;
- Produce debtor and creditor listings for review by the Finance Officer on a monthly basis;
- Produce monthly budget information for each department and resolve any queries;
- Maintain a register of Business Interests for all staff involved in key financial decisions and procurement;

## **The ICT Manager**

The ICT Manager will have responsibility for ICT resources under the direction of the Head and Leadership Group, particularly the Deputy Head. The ICT Manager will advise the Leadership Group on the latest trends and developments and prepare specifications for tenders and purchase resources in accordance with the Purchasing procedures. He will also be responsible for the security and regular back up of the school system.

## **Administrative Assistant – Payroll and Personnel**

The main duties and responsibilities of the Administrative Assistant – Payroll and Personnel are to;

- Maintain the personnel files of all staff;
- Produce monthly payroll documentation for submission to the school's payroll agency following authorisation from the Head;
- Check the payroll when completed;
- Post journal entries onto the accounting system after they have been received from the payroll agency;
- Prepare the schedule of all contributions to be made to both teachers' pension scheme and the local government pension scheme on monthly basis, and payments to be made to HMRC;
- Complete the annual returns for the pension schemes;
- Maintain the Single Central Record (SCR) and complete documentation for Disclosure and Barring Service (DBS) checks and other checks as required;
- Compile statistics for various surveys and returns for statutory bodies.

## **Other Staff**

Other members of staff, primarily budget holders, will have some financial responsibility. 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 policy and procedures.

## **3. Register of Interests**

A Register of Business Interests is to be maintained by the Clerk to the Governors for Governors and the Finance Assistant for staff. The Register is to be updated at the beginning of each academic year.

## **4. Accounting System and Controls**

All the financial transactions of the School must be recorded on the School accounting system i.e. Access. All school fund transactions must be recorded on the school fund accounting system i.e. Pebble.

### **System Access**

Entry to the Access system is password restricted. Passwords should be changed at least every 3 months. Access to the component parts of Access can also be restricted and the School Business Manager is responsible for setting access levels for all members of staff using the system.

### **Documentation and Security of Records**

Data stored on the school network is highly confidential both in respect of pupil records which are maintained using the SIMS administration system and the school's finances. The School will maintain appropriate segregation of duties throughout all financial transactions. The school has appointed a Network Manager, although the Network Manager only has administrator access, this technically allows access to all aspects of the programme since passwords can be overwritten. The Network Manager does not have access to the cheque books or Bankline and is not a cheque signatory; he could not therefore complete a full transaction.

The school maintains a cloud based finance system. The School financial management system uses the following options:

- Orders & Commitments
- Accounts Payable (Purchase Ledger)
- General Ledger
- Budget Planning/Creation – Budget Maintenance
- Cash Book
- Accounts Receivable (Sales Ledger)

All rooms containing computers are locked overnight and the school buildings are alarmed and externally monitored.

### **Back Up and Office Security**

Back up for all financial records and pupil records, which are maintained on the system, takes place on a daily and weekly basis by the Network Manager. There is a Veeam Cloud Connect backup and recovery solution providing SSL encrypted connection into an encrypted cloud repository.

The Head Teacher's Personal Assistant is responsible for opening all school mail addressed to the Head Teacher, all other post is opened by the Administrative Office, unless marked personal. All cash, cheques or credit advices received by post are passed immediately to the Finance Office.

All cheque books, cheque stationery, replacements and official school order forms are stored in a locked cabinet by the Finance Officer with access allowed only to Finance staff.

At the end of each financial year the School Business Manager is responsible for the settlement of all outstanding accounts and the timely closure of the financial years' accounting system. The school accountants will prepare year end accounts in accordance with the Academies Financial Handbook and The Accounts Direction published by the ESFA.

School records of account must be kept available for the School Auditors, Officials of the ESFA or the National Audit Office.

The following documents are to be securely retained;

- Internal requisitions
- Copy Orders
- Delivery Notes
- Purchase and Non-order Invoices
- Supplier Statements
- Payroll Records
- Bank Statements
- Bank Reconciliations
- Expense claim forms
- Payroll amendment forms
- Petty cash receipts
- Sales Invoices
- Cheque / BACS run reports
- VAT returns

### **Disposal of Documents**

All documents of a sensitive or confidential nature should be retained for the agreed number of years a minimum of 6, after which they are securely destroyed.

The length of time all other school records and documents should be held for is set out in the School's document retention policy.

### **Transaction Processing**

All transactions input to the accounting system must be authorised in accordance with the procedures specified on the Scheme of Delegation.

Detailed information on the operation of the accounting system can be found in the user manuals held online which can be found on the workspace section of Access.



## **Transaction Reports**

The School 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:

- Master file amendment reports for the payroll, purchase ledger and sales ledger;
- Management accounts summarising expenditure and income against budget for review by the Head monthly;
- Departmental reports will be provided for budget holders monthly;
- Other reports as required.

## **Reconciliations**

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

- All bank accounts
- Petty cash
- Payroll control accounts
- Aged Creditors and Aged Debtors
- School Fund cash accounts

Any unusual or long outstanding reconciling items must be brought to the attention of the School Business Manager. The Head, School Business Manager and Finance Officer will review and sign all reconciliations as evidence of their review.

At month end, the following transactions must be carried out before closing down.

- Run pending items report
- Complete bank reconciliation
- Run Vat report
- Run Aged Debtors/Creditors report

## **5. Financial and Development 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 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.

### **School Evaluation and Development Planning**

Development Planning takes place annually and draws upon the evaluation of the School's current performance as well as upon likely internal and external changes that affect the School. The evaluation outlines several "areas for development" over coming years; more detailed plans show what aspects are being tackled in the current year.

Development Planning is also informed by budgetary considerations and significant financial costs are indicated in the Plans and cross-referenced in the Budget.

The School Evaluation and Development Plans and the Annual Budget are a continuing process and subject to constant evaluation and review.

The annual cycle of evaluation and development planning is as follows:

#### **Autumn Term:**

- New School Budget and new School Evaluation and Development Plans come into effect.
- Curriculum and Pastoral Plans monitored.
- Review and update the school website and other platforms for prospective parents
- Priorities set with Governors.
- Departmental SEFs monitored and evidence trails conducted.
- HoDs review priorities from Subject Development Plans.

#### **Spring Term:**

Publication of RAISE-online data informs evaluation and future actions.

- Confirm Curriculum for the following academic year.
- Under-achieving Year 10 pupils identified.
- Review Subject Development Plans for next academic year.
- Identify priorities for Subject Development Plans for next but one academic year.
- Departmental SEFs monitored and evidence trails conducted. SEF updated.

#### **Summer Term:**

- Evaluation of current Plans and Actions by SMT and Governors committees.
- Performance Review lesson observation data available to inform evaluations.
- New School Budget Plan finalised and approved by Governing Body.

The Deputy Head (Curriculum) is responsible for co-ordinating the process.

#### **Annual Budget**

The School Business Manager is responsible for preparing and obtaining approval for the annual budget. The budget must be considered by the Finance Committee and then approved by the Full Governing Body.

The approved budget must be submitted to the ESFA by 31 July each year and the School 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 pupils to estimate the amount of ESFA grant receivable;
- 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;
- Review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. 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. 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.

### **Finalising the Budget**

Once the different options and scenarios have been considered, a draft budget should be prepared by the School Business Manager for consideration by the Finance Committee and then approved by the Full Governing Body. The budget (once agreed by the Governing Body) should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

### **Monitoring and Review**

Monthly reports will be prepared by the School Business Manager. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Head and the Finance Committee. The summary report will include a cashflow statement and will be posted on Governorhub for the information of all Governors. The Chair of Governors and Head should mark the report as signed.

Any potential overspend against the budget must in the first instance be discussed with the School Business Manager. The accounting system will not allow payments to be made against an overspent budget without the approval of the School 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.

## **6. Payroll and Personnel Administration**

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 with the express approval in the first instance of the Finance Committee who must ensure that adequate budgetary provision exists for any establishment changes.

The Head has authority to appoint staff except for Deputy Heads, the School Business Manager whose appointment must follow consultation with the governors). The School Business Manager maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified in writing, to the School Business Manager immediately.

### **Payroll Administration**

The School payroll is administered by a payroll bureau, Dataplan Ltd using a secure web based system. Access to the system is password controlled. Payroll transactions are entered manually into FMS.

All staff are paid monthly by BACS through Dataplan Ltd.

All amendments to payroll are authorised by the Head or Deputy Head in his absence or the School Business Manager in their absence. All amendments are supported by documentation. Any amendments to the Head's own salary is authorised by the Chair of Governors.

### **Payments**

All salary payments are made by BACS on the 25th of each month.

The Administrative Assistant – Payroll and Personnel is to check the payroll for accuracy prior to authorisation ensuring that amendments made for new appointments, resignations, pay increases etc. have been processed.

The Finance Officer further checks the payroll prior to authorization by the Head and electronic submission to Dataplan.

The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions.

The School Business Manager should select one employee at random each month and check the calculation of gross to net pay to ensure that the payroll system is operating correctly. All staff salary payments are reconciled to the budget allocated.

After the payroll has been processed the nominal ledger is updated by the Administrative Assistant Payroll and Personnel.

Postings will be made both to the payroll control account and to individual cost centres. The School Business Manager should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated and to identify any amounts posted to the suspense account.

On an annual basis the School Business Manager must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file.

## 7. Purchasing

The School wants to achieve the best value for money from all our purchases. This means obtaining the correct quality and quantity at the time at the best price possible. A large proportion of purchases will be paid for with public funds and they need 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 at the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Budget holders will have access to their actual expenditure against budget total when logging in to the finance software. Some budget holders are authorised to have restricted access to Access and can view (only) their own cost centres and transactions.

Internal requisitions are completed online via Access. A number of departments have restricted access to Access and are only able to process and save their own orders. The orders are then authorised and dealt with by the Finance Office.

The requisition is then sent to the Finance Assistant, who checks that it is correctly authorised, checks the ledger code and cost centre on the forms and converts it into a purchase order. To comply with the segregation of duties regulations it is required that a person different to the one who entered the order in to the accounts system authorises the order.

Orders are produced as and when required.

Special arrangements exist for the Site Manager. The site team is multi-skilled and carries out a lot of the school maintenance. The Site Manager therefore requires access to trade counters at electrical, hardware and other such suppliers to carry out his work efficiently. There is a maintenance allocation issued as part of the budget allocation process. The Site Manager is authorised to approve purchases up to the value of £5,000 for individual orders. The duplicate copy of the signed order is to be passed to the Finance Office immediately to match up with the invoice. The total budget allocation is not to be exceeded without prior authorisation from the School Business Manager. Orders above £5,000 are to be authorised by the School Business Manager and the Head where applicable and processed in the normal way as described in the preceding paragraphs.

At least three written quotations should be obtained for all orders between £5,000 and £49,999 to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained with the order for audit purposes. Telephone quotes are acceptable if these are evidenced and faxed or email confirmation of quotes has been received before a purchase decision is made.

In cases where it is not possible to obtain three quotations, the reasons should be recorded on the order/invoice and signed by the School Business Manager. Some orders may relate to a specialist service or supply which can only be obtained from one supplier such as GCSEPod or SISRA.

All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures. Competitive tendering can be considered below this figure, in the interests of best value. Purchases over (currently £189,000 for goods and services, and £4.7m for works) (correct as at March 2021), may fall under procurement rules which require advertising on Find a Tender Service in place of OJEU which has been introduced following Brexit.

A check against the available budget is automatically carried out by computerised accounting system. Most systems are set not to allow budgets to overspend. If an order exceeds the budget, the internal order form is returned to the originator to discuss the overspend with the School Business Manager. Any increase in budget must be agreed by the Head and usually reported to the Finance Committee in accordance with the scheme of delegation. If the budget is increased by the Head, the School Business Manager vires the allocation from an agreed budget heading and enters details of the virement into the accounting package. A manual record of budget virements should also be kept for reference.

Orders are automatically sequentially numbered by the accounts package and are then printed; the original is signed by the appropriate authorised signatory according to the scheme of delegation and a copy is made. The original is sent to the supplier, and the copy is filed in the Finance Office in supplier order. A copy of the requisition is also attached to the copy of the order or held electronically.

When goods are delivered to the school, they are usually signed for by the Finance Assistant, who checks that the number of parcels is correct (where the goods are not checked they are signed for as unexamined). The goods are then delivered to the budget holder who checks the quality and quantity of the goods – discrepancies are normally resolved by the Finance Office. The Finance Assistant checks the delivery note against the order and the delivery recorded on Access.

The invoices are saved on to the F drive and uploaded on to the system. Once the requisition has been approved and converted to a purchase order the purchase order number is generated. The relevant department and finance assistant then check the goods when they arrive. The invoice is then entered onto the accounts system and approved in accordance with the scheme of delegation. Budget Holders may authorise payment of invoices for goods and services up to the value of £5,000. The School Business Manager may authorise payments over £5,000 but less than £30,000. Payments over £30,000 should be authorised in accordance with the scheme of delegation. Additionally BACS or cheque payments over £25,000 need to be authorised by the Chair or Vice Chair of Governors in accordance with the Financial scheme of delegation.

The Finance Assistant is notified by the budget holder if there is a discrepancy between the order and the goods received. The Finance Assistant investigates any discrepancies between the order and the goods received. When the invoice is posted into the accounts package, the Finance Assistant checks that the amount being invoiced matches the amount ordered and received.

At least once per week the Finance Officer decides which creditors should be paid, usually determined by the date that the payment is due which can be printed off the system as an Aged Creditor Report. The Finance Assistant prints off from the accounts package a BACS/Cheque run report, and the accounts package produces a remittance advice for each payment. The preferred method of payment is by BACS however there are a few suppliers who do not accept such payments.

### **Cheque Payments**

The invoices and the remittance advices are matched and the cheques written. The Finance Officer checks that the cheque produced matches the cheque number allocated by the accounts package.

The cheques are sent, together with all the relevant supporting documentation, to two of the cheque signatories, always the School Business Manager, and one other authorised signatory (usually the Head). The scheme of delegation contains details of cheque signatories and limits.

The cheque signatories should check that payment is supported by the relevant authorised documentation.

The documentation is returned to the Finance Assistant, who sends both the cheque and remittance advice to the supplier.

The invoices are filed in supplier order by in an "Invoices paid file".

Suppliers statements are checked by the Finance Assistant against the records, and details are written on the statement, which is then filed.

### **BACS Payments**

After the proposed payment listing has been produced, the School Business Manager/Finance Officer will decide which creditors will be paid by BACS, usually determined by the invoice due date.

A BACS file is produced by the Finance Assistant from the accounting package which is then reviewed and authorised by the Head, and returned to the School Business Manager.

The School Business Manager/Finance Officer will then process the BACS payments via the Capita website. The School Business Manager and Finance Officer have access to this site, and access is controlled by a login and password. Remittance advices are automatically produced and sent via email where possible.

An authorisation report is then produced from the Capita website which is sent via email to the School Business Manager/Finance Officer. This shows the total value of the BACS run and a full payment report is available from the BACS website very soon after.

### **Non Order Invoices**

Non-order invoices are checked by the Finance Assistant to ensure that they are reasonable, and authorised by the Finance Officer/School Business Manager. Non order invoices usually relate to telephone orders (only made in emergencies, and kept to a minimum), inspection copies of books, catering invoices, supply teacher invoices and public utilities, e.g. water, fuel bills, telephones bills, etc.

The Finance Assistant enters non-order invoices onto the accounts system checking that the goods have been received if necessary.

## Credit and Debit Card Policy

### Credit Cards.

The Finance and Resources Committee have approved the use of credit cards for authorised users, issued by the school's bank. The following personnel have been authorised to hold credit cards with the following limits;

School Business Manager	£15,000
Finance Officer	£ 1,000
Site Manager	£ 1,000

The limits will be reviewed periodically by the Finance Committee and amended as appropriate.

Credit cards must only be used to acquire goods and services for approved School Business. Cards can be used for on-line and point of sales transactions in accordance with purchasing protocols and financial regulations. Credit cards must not be used for any non-school business or personal expenses.

Any department wishing to make a purchase using the credit card must either complete an ordering form or complete a requisition. Orders above £100 must receive prior authorisation. This must be authorised by the credit card holder and line manager.

Appropriate records are printed for transactions made over the internet, and receipts are requested for purchases made over the telephone. All receipts/transaction records are passed to the Finance Office as soon as possible.

The credit card monthly statement, together with all relevant invoices and supporting documentation is collated by the Finance Officer and a summary of all transactions in the period is produced. Each transaction is signed by the budget holder to confirm that the goods or services have been received, and approved.

The summary sheet and all supporting documents including the credit card statement are provided to the Head for review, and the summary sheet is countersigned by him. This is done on a monthly basis.

All credit card statements and supporting documentation are retained in a file maintained by the Finance Officer for a period of six years plus the current financial year for audit purposes.

The card will only ever be used by the person named on the card. It is the personal responsibility of the card holder to ensure that the card is kept secure at all times and cannot be accessed by any other persons. The cards have enhanced security measures which mean that additional security questions are asked when the card is presented as payment over the internet. The card cannot be used to obtain cash advances from ATMs. Reasonable steps should be taken to ensure that the card details cannot be viewed or overheard by other persons. It is recommended for security reasons that wherever possible transactions are processed by the cardholder being physically present at the point of sale. The card's security PIN number must be kept securely and not disclosed to anyone else. The bank must be notified immediately if the card is lost or stolen or fraudulent use is suspected. The Head must also be informed. The card must be surrendered to the Head if the cardholder leaves the employment of the school.



If the cardholder misuses the card or fraudulently uses the card or permits any other person to use the card, this may result in disciplinary action being taken against the cardholder.

## **Debit Cards**

Following the closure of local bank branches, the Finance and Resources Committee have authorised the School Business Manager to hold a school debit card. Debit cards are only available to signatories of the school bank account.

The cards can be used for cash withdrawals; on-line and point of sales transactions in accordance with purchasing protocols and financial regulations.

The card can be used to withdraw cash from any ATM/branch counter up to a daily limit of £500 per day. ATM's that charge for the transaction should not be used. A receipt must be obtained and retained with petty cash records. The Finance Officer (independent to the withdrawal transaction) should count the cash, record and sign the petty cash records and ensure it is securely entered into the cash box/safe.

The debit card must only be used to acquire goods and services for approved school business. The debit card must not be used for any non-school business or personal expenses. Receipts must be obtained and retained with the accounting records for audit purposes.

Any department wishing to make a purchase using the debit card must complete an official order form or raise a requisition through the system. This only applies to orders above £100. This must be authorized by the relevant individuals as stated in the scheme of delegation.

All debit card transactions will appear on the monthly bank statement and reconciled in accordance with the standard bank reconciliation procedure.

The card will only ever be used by the person named on the card. It is the personal responsibility of the card holder to ensure that the card is kept secure at all times and cannot be accessed by any other persons. The cards have enhanced security measures which mean that additional security questions are asked when the card is presented as payment over the internet. Reasonable steps should be taken to ensure that the card details cannot be viewed or overheard by other persons. It is recommended for security reasons that wherever possible transactions are processed by the cardholder being physically present at the point of sale. The card's security PIN number must be kept securely and not disclosed to anyone else. The bank must be notified immediately if the card is lost or stolen or fraudulent use is suspected. The Head must also be informed. The card must be surrendered to the Head if the cardholder leaves the employment of the school.

If the cardholder misuses the card or fraudulently uses the card or permits any other person to use the card, this may result in disciplinary action being taken against the cardholder.

## **Credit and Debit Card Restrictions**

Cards must not be used for any non-school business or personal expenses. Only secure sites with a web address beginning with https should be used to make purchases via the internet. Personal loyalty cards/store cards (Nectar etc.) must not be used in conjunction with school cards. Card insurance and/or subscriptions for card protection services must not be purchased. Cards must not be used to enter into an on-going (recurring charge) agreement

for e.g. for subscriptions. The only person authorised to use the card is the cardholder. If card details are retained by an online website then the cardholder must be the only person who authorises transactions on that website. The cardholder shall not make any attempt to change the terms and conditions on which the card is held.

## **Expenses Policy**

Payments for the personal expenditure of staff must be made using either a:

- Staff Travel Expenses Claim Form; or a
- Staff Reimbursement Claim Form

### **Mileage/Travel**

Staff must complete their own travel claim forms and submit them to the Finance Office on a timely basis. Mileage should usually be calculated on the basis of claiming only additional mileage travelled, i.e. normal home-to-school mileage must be deducted from each journey unless agreed prior with the Headteacher or Finance Department. All travel claim forms must be verified by an individual who is not approving the claim, staff cannot verify their own travel claim forms. All travel claim forms must be approved by an appropriate budget holder.

All other travel claims (e.g. train fares, taxi fares) must be accompanied by a relevant receipt or ticket. Train travel will be reimbursed at the second class rate regardless of the class of actual travel procured.

Payment for mileage will be paid at the prevailing rate in the local authority in which the School is situated. Currently this is 45p per mile for cars, 24p for motorcycles and 20p for bikes. Staff are encouraged to car share where possible and sharing is expected where staff start from/return to the same location on the same visit.

All claims for mileage must include:

- the date of the journey(s)
- the starting point and destination of the journey
- the number of miles claimed
- odometer start and end reading

Claims should be submitted monthly. Claims submitted over 6 months after the expense was incurred will not usually be paid unless authorised by the School Business Manager or Headteacher.

Please see mileage claim example below:

Example 2: Alex travels to workplace, then to School A, then back to workplace before going home • Home to work mileage = 15 miles (return journey 30 miles) • Mileage from work to School A = 25 miles (return journey 50 miles) • Travel from Home to Work – no claim can be submitted • Travel from work place to School A and return to work place: Alex can claim 50 miles.

## **Additional Purchases**

Ideally, purchases such as learning resources should be processed via school purchase order or school debit card routes. However, where an individual makes purchases on behalf of the school (e.g. perishable items for cookery) they will be re-imbursed provided they are supported by the relevant receipt(s). All expenditure must be authorised by the budget holder for payment to be made; therefore you must be aware that if prior approval has not been obtained from the budget holder, the school reserves the right not to reimburse the cost.

## **Vehicle Insurance**

The school does not provide car insurance for staff using their own vehicles. Staff members are responsible for ensuring they are appropriately insured (business use insurance) prior to travel. Staff must also ensure that the car is safe and legal to drive.

## **Tendering Policy**

The school has adopted a tendering policy for items or work of a significant value, which carefully analyses and compares all possible options to ensure that best possible value for money is obtained.

This policy assumes the use, in appropriate cases, of outside consultants to draw up the specification, receive tenders, and make recommendations to the school.

Goods purchased up to the value of £5,000 are at the discretion of the budget holder who should ensure best value is achieved. At least one quote should be obtained and an official order placed.

Goods and services with a value of between £5,000 and £49,999 are subject to a minimum of three competitive quotations in accordance with the scheme of delegation.

Goods and services with a value of £50,000 and over (or at the discretion of the Governors) are subject to the full tendering procedure.

Tenders should be sought in accordance with the UK's procurement regime having obtained advice as necessary for purchases above the current procurement threshold of £189,000 for goods and services and £4.7m for works.

Recurring contracts should be reviewed to ensure Best Value is achieved.

## **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 School Business Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

**Restricted Tender:**

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

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

- o The above methods have resulted in either no or unacceptable tenders,
- o Only one or very few suppliers are available,
- o Extreme urgency exists,
- o 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 fulfillment 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.
- Is there scope for negotiation?

### **Technical/Suitability**

- Qualifications of the contractor Relevant experience of the contractor Descriptions of technical and service facilities Certificates of quality/conformity with standards Quality control procedures. 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 on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

## **Form of Tender**

The form of tender should include:

- The total contract price
- A breakdown of the price to specific elements of the works
- Time scale
- A time scale for the completion of the works will also be required.

## **Selection of Companies invited to Tender**

The Head will approve a list of the organisations invited to tender.

## **Receipt of Tenders**

Tender documents will be sent to the School Business Manager. All tender documents should be opened on the same day by more than one person, including a Governor where practicable. There must be a named Tender Receipt Officer independent of the procuring process for tenders above £50,000. The name of the tenderer and the contract price is recorded.

## **Tender Evaluation**

The tenders will be evaluated on the following criteria:

- Compliance with technical and contractual requirements
- Price/Value for Money
- Appropriate qualifications of the organisation
- Knowledge of quality of work and reliability
- Previous experience of similar work
- Previous experience of working with the School
- Receipt of satisfactory references
- Time scale involved

The relevant Committee will decide or recommend (as appropriate) to the Governing Body the tender to be accepted. Where it is recommended that the lowest tender is not accepted, the rationale behind the decision should be documented.

All the companies who have submitted a tender document will be informed of the result of the tender. No work may commence until formal letters of approval are issued.

## **Emergency Decisions**

If an urgent decision is necessary and it is not practicable to call a meeting of the appropriate Committee, then a decision may be taken by either the Chair of Governors or Chair of the relevant Committee which will be reported to the next meeting of that Committee.

Emergencies include urgent matters of Health and Safety, and matters which affect the normal operation of the School.

## **8. Income**

The main source of income for the School are the grants from the EFA. The receipt of these sums is monitored directly by the School Business Manager who is responsible for ensuring that all grants due to the School are collected.

Other sources of income into the school Public Funds bank account are as follows:

- Income from LA
- Grants from the DfE
- Academies Condition Improvement Fund (CIF)
- Bank Interest
- Lettings
- Catering
- Departmental Income
- Private photocopying
- Payphone Income
- Examination Board Teacher Release Payments
- Student Mentor Income
- Examination Fees (payments from pupils for re-sits)
- Partnerships with other schools
- Donations or sponsorships
- Lottery and Sports Grants

### **Income from the LA**

Income from the LA is paid directly into the school's current account.

### **Academies Capital Maintenance Fund**

The procedure for bidding for capital maintenance funds is announced annually by the EFA.

### **Devolved Formula Capital**

This grant is distributed as a lump sum per school plus a per pupil element and is notified to the school on an annual basis.

### **Bank Interest**

Interest is credited to the school's public funds current accounts on a monthly basis.

## **Lettings**

The School Business Manager has oversight and responsibility for school lettings although the daily administration is undertaken by the Finance Officer and Finance Assistant. Most lettings will be subject to fixed rates although preferential rates will be charged for youth groups; in all circumstances there will be an element for heating, lighting and care taking fees.

## **Catering**

Catering is provided through a contract. The catering staff are employed by the catering company. The catering company provide the school with a monthly statement.

## **Departmental Income**

A number of departments within the school generate income from the sale of materials. Money collected is passed to the Finance Office, where a member of staff signs the departmental teacher's record book, as a receipt. The income is recorded by the Finance Assistant in the accounting system and credited back to the relevant department to offset the expense incurred on the materials.

## **Examination Board Teacher Release Payments**

Members of staff are released to attend meetings of examiners/moderators. The school is paid by BACS the current supply teacher rate by the examination board.

## **Student Mentor Income**

The school has an arrangement with local universities to mentor PGCE students for which a training allowance is paid. The arrangement is co-ordinated by an Assistant Head. The allowance received is shared with the departments involved in mentoring.

## **Examination Fees**

Income is received from pupils, who wish to enter or re-sit external examinations. The income is credited to an examination income code.



## **Partnerships with Other Schools**

An alternative to seeking new resources is to better use existing resources in close collaboration with other schools where there is a mutual benefit

## **9. Cash Management**

### **Bank Accounts**

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

### **Deposits**

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

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

### **Payments and withdrawals**

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

- The Head
- The School Business Manager
- The Deputy Head

Cheques and BACS payments over £25,000 require the signature of the Chair or Vice-Chair of Governors. This provision applies to all accounts, public or private, operated by or on behalf of the Governing Body of the Academy.

### **Administration**

The School Business Manager must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:

- All bank accounts are reconciled to the academy's cash book
- Reconciliations are prepared by the Finance Officer and checked by the School Business Manager.
- Reconciliations are countersigned by the Head or Deputy Head.
- Adjustments arising are dealt with promptly.

## **Petty Cash Accounts**

The academy maintains a maximum cash balance of £500. The cash is administered by the Finance Officer and is kept in the Finance office safe. The account is to be reconciled on a monthly basis. Personal cheques will not be cashed

## **Deposits**

The only deposits to petty cash should be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

## **Payments and Withdrawals**

In the interests of security, petty cash payments will be limited to £50. Higher value payments should be made by BACS directly from the main bank account. All payments must be supported by VAT invoices/receipts and must be signed for by recipient.

## **Administration**

The Finance Officer is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash counts should be undertaken by the School Business Manager to ensure that the cash balance reconciles to supporting documentation.

## **Physical Security**

Petty cash should be held in a locking cash box which is put in the safe overnight.

## **Cash Flow Forecasts**

The School Business Manager is responsible for preparing cash flow forecasts to ensure that the academy has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds.

## **Investments**

Investments must be made only in accordance with written procedures approved by the Governing Body in the Investment Policy. All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

## 10. Fixed Assets

### Asset Register

All items purchased with a value over the academy's capitalisation limit must be entered in an asset register. The member of staff named as responsible for the asset in the Asset Register, is required, on a yearly basis, to check the register and report any discrepancies to the School Business Manager.

The asset register should include the following information:

- Asset description
- Asset number
- Serial number
- Date of acquisition
- Asset cost
- Source of funding (% of original cost funded from EFA grant and % funded from other sources)
- Expected useful economic life
- Depreciation
- Current book value
- Location
- Name of member of staff responsible for the asset.

The Asset Register helps:

- Ensure that staff take responsibility for the safe custody of assets;
- To manage the effective utilisation of assets and to plan for their replacement;
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- Help the external auditors to draw conclusions on the annual accounts and the academy'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 academy'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 academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

## **Disposals**

Items which are to be disposed of by sale or destruction must be authorised for disposal by the School Business Manager in accordance with Tangible and Fixed Assets Policy and, where significant, should be sold following competitive tender. The academy must seek the approval of the ESFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

The academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested then the academy must repay to the 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 academy property must not be removed from academy premises without the authority of the Head of Department. A record of the loan must be recorded in a loan book and booked back in to the academy when it is returned.

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 academy’s auditors.

## 11. VAT

This section outlines the school's VAT procedures following conversion to an Academy.

The School Business Manager is responsible for:

- Accurate accounting of the VAT return.
- Regular submission of the VAT return.
- Annual review of the methods of apportionment.
- Annual review of this section with input from the review of methods of apportionment.
- Liaising with Accountants/Auditors regarding changes to VAT regulations and the effect of such changes on the school.

West Park school is not VAT registered therefore no VAT will be added to invoices relating to services provided by the Academy.

VAT where charged, will be paid in full by the Academy. VAT will be reclaimed monthly from HMRC using form VAT126 backed up by a detailed breakdown of the claim.

- **Non-Business VAT reclaim** (i.e. goods/services purchased for the provision of free education services) VAT will be reclaimed in full.
- **Business VAT reclaim** (i.e. goods/services purchased for financial gain the school) VAT will not be reclaimed. This includes school facility lettings.

Where costs are incurred for both business and non-business activities, the VAT will be apportioned on a fair and reasonable basis, as set out below:

- The school provides free education services during the school day and is open for financial gain during the evening, weekends and school holidays. The apportionment has been calculated as a percentage of expected business income for the academic year against the anticipated General Annual Grant Income.

Income from business use	£33,775
Grant Income	£6,037,531

VAT will be reclaimed on the free education use at 99.44% of these costs

- VAT is charged on the sale of meals to adults but not to pupils. Reclaiming of VAT on expenses incurred in the production of school meals should be in proportion to the value of meal sales to pupils against adults.

Pupil Sales for January	£14,345.51
Adult Sales	£245.50

Vat will be reclaimed on catering expenses at 1.71%

Invoices received relating to services provided across business and non-business use and not covered by the above, will be apportioned in a fair and reasonable manner. The method of apportionment used will be relevant to the nature of the service provided. These methods may include:

- Ratio of staff numbers
- Ratio of floor area of buildings

As part of any VAT reclaim, the school will identify the method of apportionment used. The list of methods of apportionment will be updated when this policy is reviewed.

HMRC have advised that there should be no de-minimis limit in this respect so even if the business proportion is considered to be insignificant, an apportionment will still be carried out.

## **12. Audit**

Auditors are appointed on an annual basis at the Academy AGM or other Full GB meeting and recorded in the minutes.

The Governors have considered the need for a specific internal audit function and has decided to appoint BHP to complete 2 internal audits annually. The Governors have appointed the current external auditors, to perform additional checks in accordance with the Academies Financial Handbook and this document.

## **13. Insurance**

The School reviews all risks annually to ensure the cover available and the sums insured are adequate.

The School will notify the insurers of any new risks or any other alterations affecting existing insurance.

The School will not give any indemnity to a third party.

The School will immediately advise the insurers of any accident, loss of other incident which may give rise to an insurance claim.

## 14. Bad Debts

The procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable will follow this guidance. Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. If this is not possible, an invoice will be issued.

All debts will be recorded and non-payment will be followed up by issuing reminders at the following intervals:-

- 30 days from date of account - 1st reminder
- 60 days from date of account - 2nd reminder
- 90 days from date of account - Final reminder

The final reminder is sent by recorded delivery and threatens legal action if the account is not settled within 14 days.

After 104 days from the date of the account, where the debt is still outstanding, legal action may be considered, and the debtor will be informed of this in writing. If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off in accordance with the following procedures:-

- The Head/School Business Manager on behalf of the Academy Trust must provide 30 days notice to the Secretary of State for Education of its intention to write off any debts owed to it as set out in Section 83 of School's Funding Agreement. This notice is required whether or not the circumstances require the Secretary of State for Education's approval (see below).
- Those debts below the value set out in the Annual Letter of Funding can then be approved and written off in accordance with the Scheme of Delegation or Finance Committee and reported to the next meeting of the Governing Body in accordance with the Academies Financial Handbook.

Any proposed write off of debts above the value set out in the Annual Letter of Funding require the prior written consent of the Secretary of State for Education in accordance with section 82 of Schools Funding Agreement.

To ensure sound internal control, staff who raise invoices, will not have the authority to write off debts. The VAT element of any debt must not be written off, as this contravenes HM Revenue & Customs statutory requirements. The School will retain a Bad Debt Write-Off Summary.