



The
Boleyn
Trust

Finance Manual

1. POLICY STATUS AND REVIEW

Policy Owner:	Chief Finance and Operating Officer
Policy Author:	Chief Finance and Operating Officer
Approver:	Board of Trustees
Last Review:	October 2022
Next Review:	August 2023
Ratified:	November 2022

The Board of Trustees has agreed to this Policy and, as such, it applies to all Boleyn Trust entities. Please note that should any further national guidance be issued by external agencies that are relevant to this policy, it will be updated accordingly prior to the review date shown below and re-circulated.

Please note:

The Boleyn Trust CEO and Accounting Officer: **Tom Canning CBE**
The Boleyn Trust Chief Finance and Operating Officer: **Steven Lock**

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Chair of the Board of Trustees

2. INTRODUCTION

- 2.1. The Boleyn Trust (“the Trust”) under the governance of the Board of Directors (Trustees) (“The Board”) is the legal entity which is responsible for all of the trusts academies. It is their duty to ensure that academies operate efficiently, legally, judiciously, and safely.
- 2.2. The purpose of this financial regulations manual is to ensure that each academy within the Trust 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 our funding agreements with the Secretary of State for Education, through the Education & Skills Funding Agency.
- 2.3. The Boleyn Trust and its academies must comply with the principles of financial control outlined in the Academy Trust Handbook published by the Department for Education. This financial regulation manual expands on that and provides more detailed information on the Boleyn Trust’s procedures and systems which should be read by all staff involved with financial systems and adopted in all academies within the Boleyn Trust.
- 2.4. This financial regulation manual provides information and guidance on day-to-day operations and practicalities forming from this financial regulation manual.
- 2.5. A predetermined Scheme of Financial Delegation and Procurement Policy operates in conjunction with this financial regulation manual. Academies must adhere to the Scheme of Financial Delegation and Procurement Policy. Only the Boleyn Trust Board can approve variances to the Scheme of Financial Delegation and Procurement Policy. The Scheme of Financial Delegation and Procurement Policy can be found within appendices 16.1 – 16.3.
- 2.6. The Academy Trust Handbook schedule of requirements, Annex C, identifies the ‘musts’ that the Boleyn Trust and its academies need to satisfy. The Board, The Executive’s, Executive Headteachers, Headteachers, Heads of School, Local Governing Bodies, Academy Finance Lead’s, Central Finance Staff, and all other staff with financial responsibility must be aware of their responsibilities and for ensuring that correct, compliant, and robust procedures are in place and operating effectively.
- 2.7. These financial regulations should be read in conjunction with all other Boleyn Trusts financial management related policies and the Department for Education’s Academy Trust Handbook.
- 2.8. This manual is mandatory for all Boleyn Academies and must be implemented with no amendments.

3. ORGANISATION AND STRUCTURE

The Boleyn Trust has defined the responsibilities of each person involved in the administration of the Boleyn Trust finances to avoid the duplication or omission of functions and provide a framework of accountability for Directors (Trustees), local governors and staff. The financial reporting structure is illustrated below:

- 3.1. Boleyn Trust Board of Directors (Trustees)
 - 3.1.1. The Board of the Boleyn Trust have wide responsibilities under statute, regulations and its funding agreement with the Education and Skills Funding Agency. Principally, it is responsible for ensuring that the Boleyn Trust’s funds are used only in accordance with the law, its articles of association, scheme of delegation, its funding

agreement, and the Academy Trust Handbook.

3.1.2. The Board retains overall responsibility for the administration of the Boleyn Trust's funds. The main responsibilities include:

- Ensuring that grants from the Department for Education are used only for the purposes intended.
- Approving the Trust's annual budget.
- Ensuring that the Boleyn Trust and its academies are statutorily compliant.
- Ensuring that the Boleyn Trust and its academies manage risk effectively.
- Provision of an operational and governance framework for academies in the Boleyn Trust.
- Appointment of the Chief Executive Officer, Chief Finance and Operating Officer and Company Secretary.
- Appointment of the Executive Headteacher / Headteacher in Boleyn Trust academies.

3.2. Boleyn Trust Finance, Audit and Risk Management Committee

3.2.1. The Finance, Audit and Risk Management Committee is a committee of The Board.

3.2.2. Responsibilities of the Finance, Audit and Risk Management Committee are detailed in the committee's Terms of Reference, which can be found in appendix 1.

3.3. Accounting Officer

3.3.1. The Boleyn Trust has designated the Chief Executive Officer, the senior executive officer of the Boleyn Trust, as its Accounting Officer.

3.3.2. Under the guidance of The Board the Accounting Officer must have appropriate oversight of financial transactions by:

- Ensuring that all the Boleyn Trust's property and assets are under the control of the Directors (Trustees), and measures are in place to prevent losses or misuse, including maintenance of fixed asset registers.
- Ensuring that bank accounts, financial systems and financial records are operated by more than one person.
- Keeping full and accurate accounting records to support the Boleyn Trust's annual accounts.

3.3.3. The role of the Accounting Officer includes specific responsibilities for financial matters detailed in the Academy Trust Handbook. It includes a personal responsibility to Parliament, and to the Education and Skills Funding Agency's Accounting Officer, for the financial resources under the Boleyn Trust's control.

3.4.4 Accounting Officer's must be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly:

- **Value for Money** – this is about achieving the best possible outcomes through the economic, efficient, and effective use of resources. A key objective is to achieve Value for Money not only for the Boleyn Trust but for taxpayers generally. A full definition is included in Annex A of the Academy

Trust Handbook.

- **Regularity** – dealing with all items of income and expenditure in accordance with legislation, the terms of the trust’s funding agreement and the Academy Trust Handbook, and in compliance with the trust’s internal procedures – this includes spending public money for the purposes intended by Parliament.
- **Propriety** – the requirement that expenditure and receipts should be dealt with in accordance with Parliament’s intentions and the principles of parliamentary control – this covers standard of conduct, behaviour, and corporate governance.

3.4.5. The Accounting Officer must complete and sign a statement of regularity propriety and compliance each year and submit this to the Education and Skills Funding Agency with the audited accounts and demonstrate how the trust has secured Value for Money via the governance statement in the audited accounts of the Boleyn Trust.

3.4.6. Whilst the Accounting Officer is accountable for the trust’s financial affairs, for keeping proper financial records, and for the management of opportunities and risks, the delivery of the trust’s detailed accounting processes will be delegated to the Chief Finance and Operating Officer.

3.4.7. The Accounting Officer takes personal responsibility (which can be delegated) for assuring The Board that there is compliance with the Academy Trust Handbook and the funding agreement.

3.4.8. The Accounting Officer must advise The Board in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the articles, funding agreement or the Academy Trust Handbook. Similarly, the Accounting Officer must advise The Board in writing if The Board appears to be failing to act where required to do so by the terms and conditions of the Academy Trust Handbook or funding agreement. Where The Board is minded to proceed despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons The Board gives for its decision. If, after considering those reasons the Accounting Officer still considers that the action proposed by The Board is in breach of the articles, the funding agreement or the Academy Trust Handbook, the Accounting Officer must notify Education and Skills Funding Agency’s Accounting Officer immediately, and in writing.

3.5. Chief Finance and Operating Officer

3.5.1. The Board has designated the Chief Operating Officer as the Chief Finance and Operating Officer of the Boleyn Trust and will be known as the Chief Finance and Operating Officer.

3.5.2. The Chief Finance and Operating Officer is an executive officer appointed by The Board to lead on financial matters. The Chief Finance and Operating Officer plays both a technical and leadership role, including ensuring sound and appropriate financial governance and risk management arrangements are in place across the Trust, preparing and monitoring of budgets, and ensuring delivery of annual accounts.

3.5.3. The main responsibilities of the Chief Finance and Operating Officer are detailed in the post holder’s job description and the Academy Trust Handbook.

- 3.5.4 The Chief Finance and Operating Officer has the day-to-day responsibility for monitoring Boleyn Trust expenditure in discharging their duties. The Trust engages a MAT Finance Specialist (Academies Finance) to support the Chief Finance and Operating Office in discharging his duties.
- 3.5.5 The Chief Finance and Operating Officer delegates day to day responsibility to the MAT Finance Specialist (Academies Finance) but remains accountable for financial matters.
- 3.6. Local Governing Body
- 3.6.1. The Academy will have a Local Governing Body whose responsibilities are set out in the Scheme of Delegation and include the following:
- To monitor the income, expenditure, and cash flow of the Academy.
 - To maintain a register of business interests.
 - To ensure provision of free school meals to those pupils meeting the criteria.
- 3.7. Executive Headteacher / Headteacher
- 3.7.1. The Executive Headteacher / Headteacher is responsible for the day-to-day financial management of the Academy, subject to exceptions contained in these regulations.
- 3.7.3. The Executive Headteacher / Headteacher can delegate day to day responsibility but remains accountable for financial matters in their Academy.
- 3.8. Academy Finance Lead
- 3.8.1. For the purpose of this document the term Academy Finance Lead refers to the person responsible for the day-to-day management of the academy's financial operations.
- 3.8.2. Boleyn Trust has a centralised finance department. The Academy should employ a suitably experienced Academy Finance Lead to support the Executive Headteacher / Headteacher and Local Governing Body to manage and protect resources appropriately and work with the central finance team.
- 3.8.3. The Academy Finance Lead will work with the Executive Headteacher / Headteacher, Senior Leadership Team and central finance team to ensure the academy's financial processes and finance policies are followed.
- 3.8.4. The Academy Finance Lead will be responsible for the effective use of resources within their organisation and will notify the Executive Headteacher / Headteacher, Chief Finance and Operating Officer and Local Governing Body of any issues at the earliest opportunity.
- 3.9. Other Staff
- 3.9.1 Other members of staff may have financial responsibilities and, if so, these are detailed in the relevant sections of these financial regulations.
- 3.9.2 All members of staff are responsible for:

- Ensuring the security and safekeeping of Boleyn Trust property.
- Ensuring economy and efficiency in the use of resources; and
- Conforming to the requirements of Boleyn Trust's financial regulations.

3.10. General Requirement

3.10.1. All employees of the Academy are expected to act professionally and with integrity and follow the internal control framework and financial policies of the Academy and of the Boleyn Trust.

3.10.2. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.

3.11. Register of Interests

3.11.1. 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 may arise all Directors (Trustees), local governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the Academy or trust may purchase goods or services.

3.11.2. A register of interests will be compiled and maintained by the Academy Finance Lead (Academy) and Chief Finance and Operating Officer (central operations and Directors (Trustees)) and is open to public inspection.

3.11.3. The Academy / Trust must post the register of business interests on its website in accordance with the Academy Trust Handbook.

3.11.4. The register should include all business interests such as Directorships / Trusteeships or shareholdings. 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 local governor or a member of staff by that person.

3.11.5. The existence of a register of business interests does not, of course, detract from the duties of Directors (Trustees), local governors and staff to declare interests whenever they are relevant to matters being discussed by the Local Governing Body or a Committee.

3.11.6. Where an interest has been declared, Directors (Trustees), Local Governors or staff should withdraw from that part of any committee or other meeting.

3.11.7. All Directors (Trustees), local governors and staff must be given the opportunity to verbally declare previously undeclared interests, and any previously declared interests that may be relevant to the agenda, at every committee and Local Governing Body meeting.

3.12. Trading with Connected Parties

3.12.1. In accordance with the Academy Trust Handbook the following will apply to goods or services provided by individuals or organisations connected to the Academy Trust:

- The Boleyn Trust must pay no more than 'cost' for goods or services provided by a connected party as defined by the Academy Trust Handbook.
- The Academy must ensure that any agreement with a connected party is procured through an open and fair process and is supported by a statement of assurance from the individual or organisation to the trust confirming their charges do not exceed the cost of goods or services.
- The 'at cost' requirement applies to any transaction of goods or services exceeding £20,000 cumulatively in any one financial year and ESFA approval must be obtained prior to entering into any contract or agreement.

4. DAY TO DAY DELEGATION OF AUTHORITY

4.1. Expenditure Limits

- 4.1.1. The School Approver i.e., Executive Headteacher / Headteacher can authorise expenditure, within the appropriate Scheme of Financial Delegation (Scheme of Financial Delegation) included within these regulations, on goods and services.
- 4.1.2. Avoidance of obtaining authority by raising a sequence of smaller orders in place of one large order is not permitted.
- 4.1.3. If the value to be authorised exceeds the School Approver limit for goods and services, then a higher level of approval is required i.e., Boleyn Trust Chief Executive Officer or Chief Finance and Operating Officer, as set out in the appropriate Scheme of Financial Delegation included within these regulations.
- 4.1.4. Authorisation for expenditure above the Public Contract Regulations (PCR) limit must be referred to the FARM Committee.

4.2. Funding Reconciliation

- 4.2.1. Central Finance is responsible for reconciling academy funding entered on the financial accounting system by the Boleyn Trust, with the monthly funding information provided by the Education and Skills Funding Agency and the Boleyn Trust. The Academy Lead is responsible for ensuring that Central Finance receive all remittances from all funding agencies. This reconciliation should be completed promptly.
- 4.2.2. The Academy Finance Lead is responsible for ensuring funding from other government agencies and the Local Authority reconciles with budget projections and should investigate any differences promptly as notified by Central Finance. Non-receipt or differences should be investigated immediately and brought to the attention of central finance.
- 4.2.3. Central Finance, supported by the Academy Finance Lead, should undertake a consolidated reconciliation of Education and Skills Funding Agency funding on a monthly basis.

4.3. Bad Debts

- 4.3.1. The write-off of debts owed to the Academy can be approved in line with the Scheme of Financial Delegation, included within these regulations.

- 4.3.2. A sequence of smaller write-offs, all within the above limits to cover a larger write-off, is not permitted.
- 4.3.3. The Chief Finance and Operating Officer will be responsible for notifying the Finance, Audit and Risk Management Committee of all bad debts written off exceeding £500, these would then be recorded in the minutes of the meeting.
- 4.4. Disposal of Assets or Adjustments to Academy Inventory
 - 4.4.1. The School Approver should request the CFOO approval before the disposal / adjustment of recorded academy inventory or fixed asset.
 - 4.4.2. The Boleyn Trust and its academies must ensure that any disposal of inventory or fixed asset achieves the best price that can reasonably be obtained, and maintains the principles of regularity, propriety, and value for money. This can involve public sale where assets have a residual value.
 - 4.4.3. All disposals or adjustments to the fixed asset register must be notified to Central Finance who will arrange for the financial accounting system to be updated.
 - 4.4.4. All disposals / adjustments must be formally recorded in the minutes of the meeting at which they were reported and discussed.
 - 4.4.5. Academies should refer to CFOO for the Asset Disposal Form.
- 4.5. Mileage Allowances and Subsistence Claims
 - 4.5.1. The Academy will reimburse mileage expenses to individuals for business journeys at a rate in accordance with the limitations set out by HM Revenue & Customs. The claimant is entitled to be notified of this rate in advance of commencing their journey. The Academy Finance Lead must check that the claimant has suitable insurance in place to cover both the vehicle and passengers.
 - 4.5.2. The claimant must submit mileage and expenses claims on the trust approved document which must be approved in line with the Financial Scheme of Delegation.
 - 4.5.3. A VAT registered fuel receipt must accompany every mileage claim, indicating that duty has been paid on sufficient fuel for the distance covered in order for the Academy to be able to reclaim VAT.
 - 4.5.4. All expense claims are to be authorised by the Executive Headteacher / Headteacher.
 - 4.5.5. Expenses claims relating to the Executive Headteacher / Headteacher and Chief Finance and Operating Officer must be authorised by the Chief Executive Officer.
 - 4.5.6. Expenses claims relating to the Chief Executive Officer must be authorised by the Chair of the Trust.
 - 4.5.7. All expense claims are to be supported by VAT receipts (or other appropriate evidence of expenditure) which must be attached to the claim. Claims for subsistence can only be claimed to the maximum stated below.
 - 4.5.8. Rates of subsistence will be paid at the rate and within the conditions that adhere to the Boleyn Trust policy on travel and subsistence allowances.

- Breakfast £5.00
- Lunch £10.00
- Evening Meal £20.00

4.5.9. Claims for the purchase of alcohol will not be reimbursed.

4.5.10. VAT may not be reclaimed without a proper VAT receipt.

4.6. Receiving of Goods / Acknowledgement of Service

4.6.1. All goods should be delivered to the school address only.

4.6.2. Receiving and accepting goods/services is detailed fully within section 11, notwithstanding this, in all cases the person receiving and accepting goods / services will be responsible for signing the delivery note (goods received note) to confirm the correct goods have been received and annotate the note if items are missing or damaged.

4.6.3. The person receiving and checking goods / services will be responsible for ensuring the signed delivery note (goods received note) is passed to the Academy Finance Lead, or person with specific delegated responsibility, who will record the details on the financial accounting system or investigate discrepancies etc. as appropriate.

4.7. Devolved Formula Capital Grant

4.7.1. Expenditure of Capital Grants require approval in line with the Financial Scheme of Delegation.

4.8. Staff Appointments / Terminations

4.8.1. The Board has approved a personnel establishment for academies within the Trust. Changes can only be made to an establishment with the express approval of the Finance, Audit and Risk Management Committee who will also ensure that adequate budgetary provision exists for any changes and that consultation process is followed in accordance with legislation and best practice at the time. The Chief Executive Officer will be responsible for coordinating any changes to establishment levels across the Boleyn Trust.

4.8.2. The Boleyn Trust HR Manager will maintain personnel files for all Executive and Cross-MAT employees, which includes contracts of employment.

4.8.3. The Academy HR Lead will maintain files for all members of staff within the academy, which includes contracts of employment.

4.8.4. The approval required for the appointment of staff or changes to contract is as follows:

- Chief Executive Officer / Chief Finance and Operating Officer – The Board.
- Cross-MAT employees – The Chief Executive Officer.
- Executive Headteacher / Headteacher – The Chief Executive Officer
- Deputy Headteacher and Assistant Headteacher – The Chief Executive Officer

- All other school-based staff appointments and contract changes – The Executive Headteacher / Headteacher.
- 4.8.5. For academies the Academy HR Lead (or person with specific delegated responsibility) is responsible for ensuring that all pre-employment checks are completed, relevant clearances obtained, and personnel files are maintained (including contracts of employment) for all members of staff.
- 4.8.6. For Boleyn Trust Central staff, the HR Manager (or person with specific delegated responsibility) is responsible for ensuring that all pre-employment checks are completed, relevant clearances obtained, and personnel files are maintained (including contracts of employment) for all members of staff.
- 4.8.7. The Executive Headteacher / Headteacher is responsible for ensuring all pre-employment checks are complete and satisfactory before a new employee starts their employment.
- 4.8.8. The Academy HR Lead (or person with specific delegated responsibility) is responsible for the Academy Single Central Record (SCR) and must ensure it is accurate, up to date and that supporting information / evidence is retained according to guidance determined from time to time by the Department for Education. The Chief Executive Officer will be responsible for regularly monitoring the Single Central Record's and circulate a template which has been approved by the Trust, which may be updated from time to time.
- 4.8.9. Guidance for payment of severance and compensation payments is set out in Academy Trust Handbook under section 5.6. The Chief Executive Officer (can delegate to the CFOO) will review each case and make his / her recommendation to The Board for authorisation providing the non-statutory / non-contractual element is under £50,000, above £50,000 prior approval must be sought for the non-contractual element from the Education and Skills Funding Agency.
- 4.8.10. Ex Gratia payments must be reviewed by the Chief Executive Officer and always referred to the Education and Skills Funding Agency for prior authorisation.
- 4.9. Additional Hours, Salary Advances and Absences
- 4.9.1. Additional hours
- Should only be undertaken with prior approval and must be authorised by the Executive Headteacher / Headteacher who must monitor the budget and discuss this request with the MAT Finance Specialist.
 - Will be recorded, by the employee, in the format determined from time to time by the Boleyn Trust and submitted to the Academy Finance Lead for authorisation by the Executive Headteacher / Headteacher.
 - Claims must not be submitted prior to work having been undertaken.
- 4.9.2. Salary Advances
- The Boleyn Trust does not award salary advances.
- 4.9.3. Absences

- All absence must be submitted through the Access portal with supporting documentation.
- The Executive Headteacher / Headteacher is responsible for determining whether leave of absence should be paid or unpaid, in accordance with the Boleyn Trust Absence Management Policy, instructing the Academy Finance Lead appropriately.
- The Academy Finance Lead (or person with specifically delegated responsibility) should, once authorised, record the absence on the Payroll System and make salary adjustments as appropriate.

4.10. Monitoring Salary Payments

4.10.1. It is the responsibility of the Academy Finance Lead / Boleyn HR Manager to ensure that compliance is adhered to with the payroll systems and process set up by the Trust. This will ensure that all information on the financial accounting system is correct and will avoid distortion of financial information.

4.10.2. Any updated payroll transaction relating to an Executive Headteacher / Headteacher must be authorised by the Accounting Officer (who may delegate this to an appropriate Executive) and in accordance with the Boleyn Trust Pay Policy.

4.11. Supply Staff

4.11.1. All supply staff will be appointed by the Executive Headteacher / Headteacher or as otherwise directed by the Executive Headteacher / Headteacher. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the financial accounting system immediately. It is the responsibility of the Academy Finance Lead to ensure that this is done.

4.11.2. It is the responsibility of the individual member of staff to agree with their line manager the hours worked in the particular payment period. The line manager will then obtain authorisation from the Executive Headteacher / Headteacher prior to the work being undertaken. If a dispute arises over hours claimed, the Executive Headteacher / Headteacher will be informed immediately.

4.12. Contract Approval

4.12.1. Any contractual commitment with a term exceeding 12 months, including lease agreements, must be approved by the Chief Finance and Operating Officer or the Finance, Audit and Risk Management Committee in accordance with the appropriate Scheme of Financial Delegation.

4.12.2. By law an operating lease is the only type of lease available to academies. These leases involve the Academy paying a rental for the hire of an asset for a period of time and have the character of a rental agreements.

4.12.3. No other lease, such as finance leases or hire purchase may be entered into by the Academy as this is a form of borrowing.

4.13. Insurance

- 4.13.1. The Boleyn Trust determine the insurance arrangements for the Boleyn Trust and its academies.
- 4.13.2. Cover will include but is not limited to those outlined from time to time in the Department for Education's Risk Protection Arrangement.
- 4.13.3. Other cover will be procured by the Academy following authorisation from the Chief Finance and Operating Officer.
- 4.13.4. Staff absence insurance, including maternity, if required will be arranged at local Academy level following authorisation from the Chief Finance and Operating Officer.
- 4.13.5. Business continuity plans should be established in each Academy by the Executive Headteacher / Headteacher and Academy Finance Lead and for Central Services by the CFOO and Accounting Officer and reviewed annually.

4.14 Guarantees, letters of comfort and/or indemnities

Irrespective of whether ESFA approval is required, the Boleyn Trust is responsible for disclosing the following transactions:

- special payments – compensation.
- special payments – ex gratia.
- writing off debts and losses.
- guarantees, letters of comfort and indemnities.
- acquisition or disposal of freehold land and buildings.
- disposal of heritage assets.
- taking up or granting a leasehold on land and buildings; and
- gifts by the trust.

The following transactions must be disclosed in total, and individually:

- special payments – staff severance, of any value.

All academies must notify the CFOO of the above transactions.

The CFOO must notify and obtain trustees approval.

The CFOO must notify and obtain ESFA approval where required.

5. INTERNAL CONTROL

The objectives of Internal Control are to give the Boleyn Trust confidence that as far as is reasonably possible:

- The Academy's accounting records are accurate and complete.
- The financial procedures in operation minimise the risks of misappropriation of funds and assets.
- The Boleyn Trust achieves best value.

Details of the requirements for delivering assurance are found in the Academy Trust Handbook with additional guidance provided by internal and external auditors.

All financial transactions of the Boleyn Trust must be recorded in accordance with the Boleyn Trust accounting policies and recorded on the accounting system.

All staff members, in particular the schools' senior leadership teams, local governing boards, all HQ based staff and central finance team, should read the relevant Academy Trust Handbook, and ensure they know of public expectations about governance, standards and openness. All Boleyn Trust staff members must follow the financial management processes described in this handbook, including the use of the accounting system, payroll, purchasing, cash management and the enforcement of segregation of duties

The Boleyn Trust accounting system is hosted by The Access Group and accessible through <https://identity.accesscloud.com>.

5.1. Separation of duties

5.1.1. It is the responsibility of the Executive Headteacher / Headteacher (in an academy) and the Chief Finance and Operating Officer (for the Boleyn Trust) to ensure that key financial duties are properly separated between individuals, as far as practicably possible.

5.1.2. Functions that must be separated between staff but are not necessarily limited to:

- The placing of an order and confirming receipt of those goods and services.
- Receiving/recording of cash and checking/inputting transactions into accounting system; and
- The recording/maintenance of assets/inventory and annual checks.

5.1.3. Functions that should be separated between staff include but are not necessarily limited to:

- The charging and receipt of fees.
- Custody – the holding of goods and services. Receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the safe prior to banking. Banking should take place every week or more frequently if the sums collected exceed the £4,000 insurance limit on the office safe.
- Post transaction management checking – reviewing previous transactions to identify errors or intentional manipulation.

5.1.4. The combination of Internal controls and automated authorisation procedures embedded within the Boleyn Trust financial accounting systems are sufficiently robust to allow the Academy Finance Lead to be involved in both purchasing (order) and payment processes.

5.2. Accounting System

The Boleyn Trust accounting system is hosted by The Access Group and accessible through <https://identity.accesscloud.com>.

5.2.1. System Access

- User access is password restricted.

- User access has enhanced security through Multi-Factor Authentication.
- Access to components and information within the accounting system is restricted. The Chief Finance and Operating Officer is responsible for determining access levels / permissions for all users of the accounting system.
- Accounting system access requests for an employee in an academy other than those deployed automatically to the Senior Leader and Academy Finance Lead must be made to the Chief Finance and Operating Officer, supported by a request from the Executive Headteacher / Headteacher.
- Trust accounting system access requests for an employee of the Boleyn Trust Central Cross-MAT Team must be made to the Chief Finance and Operating Officer, supported by a request made by the Chief Executive Officer.
- Accounting system access requests for any individual not employed by the Boleyn Trust must be made to the Chief Finance and Operating Officer, this may include but is not limited to Directors (Trustees), auditors and financial support providers.
- The Chief Finance and Operating Officer is responsible for maintaining/updating access and permission rights on the accounting system.

5.2.2. Chart of Accounts

- The Boleyn Trust has a standard chart of accounts. This follows the DfE chart of accounts.
- Modifications to the chart of accounts/nominal structure of the accounting system will be determined and undertaken by Central Finance subject to the approval of the Chief Finance and Operating Officer.
- A standard Account (Cost Centre) structure is deployed to all academies within the Boleyn Trust which must be maintained, however, the Academy Finance Lead may, if necessary, add additional accounts if a local monitoring need is identified, subject to the approval of the Finance Specialist and the Chief Finance and Operating Officer.

5.2.3. Back-up procedures

- The service provider responsible for hosting the accounting system ensures that all data is backed up in accordance with the Service Level Agreement as agreed with the Boleyn Trust.
- Routine data restoration is undertaken to validate the integrity of the back-ups as detailed within the third-party service providers Service Level Agreement.
- The Chief Finance and Operating Officer should prepare a disaster recovery plan in conjunction with the Accounting Officer, in the event of loss of accounting facilities or financial data. This should link to the Trust's Risk Register.

5.2.4. Transaction Processing and Authorisation

All transactions input to the accounting system must be authorised in accordance with the predefined limits specified in the Scheme of Financial Delegation applicable to each Academy and the Boleyn Trust and processed in accordance with the procedures detailed in this manual.

The Central Finance Team is responsible for ensuring that only regular transactions are posted to the accounting system.

The Central Finance Team is responsible for ensuring that VAT transactions are recorded accurately and that the VAT control accounts reconcile to support the preparation of the Boleyn Trust VAT returns.

Any journal entries not part of the financial accounting systems advanced workflow procedure, including payroll journals, bank transaction, corrections, and adjustments, must be authorised by the Finance Specialist and a copy of the authorisation retained for audit purposes.

Detailed information and guidance about the operation of the accounting system can be accessed by:

- Contacting the Service Team on 0845 345 3300
- Contacting the Central Finance at: finance@theboleytrust.org
- Contacting the Central Finance Team on 020 7183 4130

5.2.5. Transaction Reports

The Chief Finance and Operating Officer and Finance Specialist will produce system generated reports, with additional supporting narrative from Central Finance, if necessary, to reassure internal/external auditors that only regular transactions are posted to the accounting system. These reports will include:

- The weekly audit trail reports.
- Purchase ledger and sales ledger reports; and
- Management accounts summarising expenditure and income against budget.

5.2.6. Reconciliations

The Central Finance Team is responsible for ensuring reconciliations are performed at least monthly and that any unreconciled items or balancing amounts are cleared, typically within 60 days.

Central Finance distributes a Monthly Accounting Timetable annually with full details of reconciliations and their scheduled completion dates.

The reconciliations to be performed on a monthly basis and the balances reviewed are:

- Funding reconciliation
- Bank reconciliation
- Purchase card reconciliation
- Petty Cash reconciliation

- Purchase Ledger/Creditor control accounts
- Sales Ledger/Debtor control accounts
- Payroll control accounts
- Sundry creditors/accruals
- Sundry debtors/prepayments
- Suspense accounts
- Intra-company accounts
- Inter-company accounts
- Fixed asset accounts
- VAT control accounts; and
- Any other balance sheet accounts as appropriate

The Executive Headteacher / Headteacher must meet central finance monthly to review their finance pack including the monthly Management Accounts.

The Executive Headteacher / Headteacher must sign all reconciliations and a monthly summary as evidence of their review and oversight.

All discrepancies are to be investigated immediately and reported to the Executive Headteacher / Headteacher (the bank if appropriate), notwithstanding this any unusual or unreconciled items older than 60 days, must be brought to the attention of Central Finance, the Finance Specialist and the Chief Finance and Operating Officer.

5.3. Internal Control Audits

The Finance, Audit and Risk Management Committee is responsible for ensuring that internal control audits take place to provide assurance that the internal controls across the Trust are robust.

- 5.3.1. The Finance, Audit and Risk Management Committee will commission external providers to carry out internal audit visits for each academy and determine the scope of the reviews.
- 5.3.2. All academies will have internal audit reviews in line with the Academy Trust Handbook requirement.
- 5.3.3. The Headteacher and Academy Finance Lead must ensure that visits are conducted according to the timetable determined by the external provider.
- 5.3.4. A draft visit report will be sent to the Headteacher and Academy Finance Lead so that comments/responses to findings may be attached prior to publication, the comments should include a summary of actions to be taken and a timescale for completion.
- 5.3.5. They will produce a written RAG rated report which will be circulated to the Executive Headteacher / Headteacher, the Chair of Local Governors, the Academy Finance Lead, the Chief Executive Officer, the Chief Finance and Operating Officer and Finance Specialist.
- 5.3.6. The Headteacher and Academy Finance Lead is responsible for ensuring that all controls are considered good or reasonable. Controls that are reported to 'need

attention and review' (yellow), or 'need some very urgent attention and action – considered a high risk' (red) must be addressed within a reasonable and documented timeframe which must be reported to the Local Governing Body and the Chief Finance and Operating Officer and Finance Specialist.

5.3.7 The Headteacher and Academy Finance Lead should use the recognised RAG ratings to self-assess progress and completion of actions against reported findings.

5.3.8 The Chief Finance and Operating Officer and Finance Specialist will revisit previously identified findings to determine compliance/completion.

5.4. Boleyn Trust Monitoring

5.4.1. The Central Finance Team will undertake monthly monitoring of:

- Academy Trial Balances and control accounts
- Nominal usage
- Financial management information produced by academy's
- Internal Audit findings, monitoring, and progress
- Finance Specialist will determine when updated controls around findings requiring 'some attention and review' (yellow) have been met.

5.5. External Auditors

5.5.1. During the annual audit, external auditors may find it necessary to comment on some internal control concerns, weaknesses, or risks by way of a Management Letter.

5.5.2. Management Letter findings specific to certain academy's must be included on the Academy's Internal Audit Monitoring Report, clearly identified in a Management Letter section on the report and as an 'External Audit finding'.

5.5.3. Academies Finance will communicate specific Management Letter findings to the Chair of Local Governors of an academy and the Academy Finance Lead for inclusion on the monthly Internal Audit Monitoring Report.

6. FINANCIAL PLANNING

The Boleyn Trust and its academies must prepare rolling 3 to 5-year budget forecasts as evidence of ongoing viability.

6.1. The Budget Cycle

6.1.1. A detailed schedule for the preparation and submission of academy budget forecasts is documented within the Monthly Accounting Timetable, issued annually by the Boleyn Trust as follows:

Autumn Term (Sep – Dec)

- Implementation of the Trust Board approved budget.
- Monitor income and expenditure (continuous – scheduled in the Monthly Accounting Timetable for circulation/submission)

- Reconciliation and finalisation of previous financial year accounts.
- Preparation of monthly forward forecast.

Spring Term (Jan – Mar)

- Monitor and review current year budget plan and forward forecast.
- Preparation of monthly forward forecast.
- Pre-planning new financial year's budget plan and forward forecast

Summer Term (Apr – Aug)

- Planning for the forthcoming year
- Preparation of coming year budget plan
- Submission of a recommended new year's budget plan to The Board for approval.
- Submission of the Board approved budget to the ESFA.

6.2. Budget

All requirements of the Education and Skills Funding Agency must be considered when preparing budget forecasts, including the level of balances & reserves, identification of unspent 'ring-fenced' funding being carried forward, benchmarking data and the ongoing viability of an academy over a period not less than three years.

- 6.2.1. The Executive Headteacher / Headteacher and Academy Finance Lead will prepare an annual budget and multiyear forward financial forecast considering a minimum of three years' information, using budgeting software provided by the Boleyn Trust.
- 6.2.2. The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will have regard to all known needs of the academy. There should be a clear link between the Academy Improvement / Development Plan and the Asset Management Plan.
- 6.2.3. Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements, deployment of ring-fenced funding, historical evidence, and current assumptions. The majority of this narrative should also be included for reporting and circulation purposes.
- 6.2.4. Strategies must be documented to support the submission of a budget forecast if financial pressure is predicted within 3 years.
- 6.2.5. Supporting narrative must be documented, with strategies if appropriate, and submitted with the budget forecast if 'in-year' deficits are predicted within 3 years.
- 6.2.6. For academies investing in 'getting to good' or 'getting to outstanding' the estimated timing of a good/outstanding Ofsted outcome and the subsequent predicted impact on the budget forecast will be required.
- 6.2.7. The budgetary planning process will incorporate the following elements:
 - Objective forecasts of future pupil numbers, to estimate the amount of General Annual Grant (GAG) likely to be received over a period of 5 years.

- Calculation and application of holdback i.e., General and School Improvement.
- Calculation and application of funding models, as directed by the Boleyn Trust from time to time.
- Estimates of other 'ring-fenced' Education and Skills Funding Agency Funding e.g., Pupil Premium and PE & Sports Grant.
- Review of other income sources available to the academy, including catering, trading activities such as breakfast/after school clubs, lettings, and staff consultancy.
- Catering and other trading activities must be supported by detailed trading accounts/business plans and clearly show anticipated operating surplus or deficits.
- If a subsidy is required from Restricted Revenue Funds, then this must be formally approved by the Trust Board and recorded in the minutes of the meeting at which it was discussed and agreed.
- Review of past performance against budgets to promote an understanding of the academy costs and to reassure stakeholders of the accuracy of financial information.
- Identification of potential efficiency savings, including contractual and collaborative operational opportunities.
- Review of the main expenditure headings, to include a detailed assessment of employee contracts.
- Identification of unspent grants from the previous financial year.
- All balances to be brought forward.
- Compliance with the Reserves Policy.
- local and central balance requirements
- Benchmarking data analysis (national and internal)
- Confirmation of ongoing financial viability over a period over a minimum of 3 years.

6.2.8. If an 'in-year' deficit is predicted, the school will automatically be placed on an Internal Financial Notice to Improve. 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 may need to be revised until income and expenditure is in balance. If a potential surplus is identified, this may be held back as a contingency, within the guidelines provides in the Capital and Revenue Reserves Policy, or alternatively allocated to areas of need in accordance with the Academy Development Plan and Asset Management Plan.

6.2.9. The approved budget should be promptly uploaded onto the Boleyn Trust accounting system in advance of the new financial year.

6.2.10. If there is a significant (over 10%) departure from the anticipated budget this will be escalated to the Finance, Audit and Risk Management Committee as part of the monthly management accounts procedure.

6.2.11. A copy of the signed budget plan summary is to be held by the Headteacher and Academy Finance Lead.

6.3. Other Government Funding

- 6.3.1. In addition to GAG funding from the Education and Skills Funding Agency the Boleyn Trust and its academies may be awarded specific funding for other projects and purposes e.g., Schools Condition Allocation or Condition Improvement fund, Pupil Premium, PE & Sports Grant, Additional Special Educational Needs funding etc. This funding may be received directly from the Department for Education, Education and Skills Funding Agency or Local Authority.
- 6.3.2. All Government funding must be spent in accordance with the terms and conditions imposed, accurately recorded as restricted income, and audited externally annually.
- 6.3.3. The Central Finance Team is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

6.4. Other Grants and Specific Funding

- 6.4.1. In addition to GAG funding from the Education and Skills Funding Agency and Government Funding (detailed in section 4.3) the Academy/Boleyn Trust may be awarded additional grants from time to time relating to specific projects e.g., Sport England Funding, Football Foundation Funding, and Charitable Grants etc. All applications for additional external funding must be approved and supported by the Finance, Audit and Risk Management Committee.
- 6.4.2. All external funding and grants will be spent in accordance with the terms and conditions imposed, accurately recorded as income specific to a certain project and audited externally annually.
- 6.4.3. The Central Finance Team is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

6.5. Virements

The Boleyn Trust does not recognise virements, any budgetary adjustments identified must be included into and submitted in a forward forecast to the Chief Finance and Operating Officer and Finance Specialist.

6.6. Budget Monitoring

- 6.6.1. Monitoring and analysis of the agreed budget against actual income and expenditure must be carried out on a monthly basis as part of the monthly management reporting process. Urgent budget issues will be reported to the Chief Finance and Operating Officer and Finance Specialist immediately.
- 6.6.2. Where tangible variations to the agreed budget are identified 'in-year', particularly around staffing, then a revised budget forecast should be prepared in consultation with the Executive Headteacher / Headteacher following precepts detailed in section 5.2. excepting section 5.2.2
- 6.6.3. Notwithstanding 5.6.2 Academies should expect to prepare termly revisions to the budget plan, focusing on current and future year projections.
- 6.6.4. All forward forecast revisions must be in consultation with the Executive

Headteacher / Headteacher prior to submission to the Accounting Officer and the Chief Finance and Operating Officer.

6.6.5. A forward forecast should form the basis of analysis of all income and expenditure until the financial year end or unless replaced by a further revision.

6.7. Monitoring and review

6.7.1. The Boleyn Trust will publish a Monthly Accounting Timetable, detailing a list of reports required by each Academy in the Boleyn Trust, including their frequency and a timetable for completion and circulation, this will include but is not limited to:

- Income and Expenditure report – identifying budget variances and requiring a projection of income and expenditure to the year-end, with supporting narrative.
- Trading Account report(s).
- Cashflow report.
- Internal Audit Monitoring Report.
- Risk Management Monitoring Report

6.7.2. The Central Finance Team is responsible for producing and reviewing management reports with the Executive Headteacher / Headteacher and the Academy Finance Lead, in line with the Boleyn Trust Accounting Timetable.

6.7.3. The Central Finance Team will produce system generated reports, with additional supporting narrative, if necessary, to reassure internal/external auditors that only regular transactions are posted to the accounting system.

7. EXTERNAL AUDIT ARRANGEMENTS

7.1. It is a legal requirement for the Boleyn Trust to prepare audited, consolidated accounts in accordance with the Academy Trust Handbook.

7.2. The Boleyn Trust Members will appoint statutory auditors to audit the accounts, confirming they are 'true and fair', at their Annual General Meeting.

7.3. The Chief Finance and Operating Officer, supported by the Finance Specialist, is responsible for managing the audit process, by liaising with the auditors, arranging the timetable for accounts and audit completion, ensuring year-end processes are followed and that deadlines are met.

7.4. The Chief Finance and Operating Officer, Finance Specialist, Central Finance Team, Executive Headteacher / Headteacher and Academy Finance Lead may need to be available to support statutory auditors in conducting their work.

8. STATUTORY RETURNS

8.1. Annual Accounts

8.1.1. In order to give a true and fair view of the financial statements the annual accounts must be prepared according to the requirements of the Companies Act 2016 and Regulations made under the Act, and applicable United Kingdom accounting standards. Academy Trusts must also prepare their accounts in accordance with the

Statement of Recommended Practice – Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by The Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website here.

- 8.1.2. The Board is responsible for approving the Trusts annual accounts and annual report and ensuring the annual accounts are audited and submitted to the EFSA by the required deadlines. Details of all financial information required are as set out in the latest Accounts Direction for the year being reported.
- 8.1.3. In addition to submitting accounts to the Education and Skills Funding Agency, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.
- 8.1.4. The Education and Skills Funding Agency require the Boleyn Trust to publish its Annual Accounts and Annual Report by 31st January. This will be done via the Boleyn Trusts website, additionally, access to this information must be readily available from individual academy websites.

8.2. Education and Skills Funding Agency Financial Returns

- 8.2.1. The CFOO will be responsible for preparing all financial returns required by the Education and Skills Funding Agency. This is delegated to the Finance Specialist. All returns will be completed within the required timescale in accordance with guidance published by the Department for Education and Education and Skills Funding Agency. These returns include but are not limited to:
 - Single Budget Forecast Return – Outturn Report and Budget Forecast Return
 - Annual Accounts Return
- 8.2.2. Central Finance will produce a monthly accounting timetable detailing, wherever possible, a schedule of requirements for all academies to prepare and submit information to the Finance Specialist for inclusion into Education and Skills Funding Agency returns. All information will be completed within the required timescale.
- 8.2.3. Notwithstanding 8.2.2. additional information may from time to time be requested outside of the published timetable.

9. DOCUMENTATION RETENTION

All documents, whether electronic and/or paper based, are retained for the following amount of time:

- Financial records including budget information – current year plus 6 preceding years
- Supply cover insurance – current year plus 6 preceding years
- Payroll and travel records – current year plus 6 preceding years
- Personnel records – 5 years after an employee has left
- Capital Project documentation – plans and drawings must be retained indefinitely.

10. ASSETS AND INVENTORY

10.1. Fixed Assets

- 10.1.1. All items which have a useful life and value lasting more than one year with a value over £250.00 must be physically labelled and recorded on a fixed asset register and capitalised in the financial accounting system.
- 10.1.2. When adding items to the fixed asset register consideration should be given to the order/solution total not necessarily individual elements of a purchase. Any uncertainty should be referred to Central Finance for clarification.
- 10.1.3. The fixed asset register should include the following information:
- Asset description
 - Asset reference number
 - Serial number
 - Date of acquisition
 - Asset cost (excluding VAT)
 - Source of funding
 - Expected useful economic life
 - Depreciation
 - Current book value
 - Location
 - Supplier
 - Warranty information
- 10.1.4. Capitalisation of assets in the financial accounting system and subsequent depreciation will be carried out by Central Finance. The Academy Finance Lead will provide Central Finance with fixed asset information during the month of the asset purchase to enable a record to be set up on the financial accounting system. Assets are depreciated as follows:
- Buildings at 2%
 - Furniture and Equipment at 20%
 - Fixtures and Fittings at 20%
 - Computer Equipment and Software at 33%
- 10.1.5. The Academy Finance Lead will supply Central Finance with supporting documentation, including all quotes, authorised purchase order, goods received note(s), invoice(s), and warranty information, to the fixed asset record on the financial accounting system immediately.
- 10.1.6. On academy conversion the Academy Finance Lead should review the pre-academy asset and inventory registers to identify equipment/furniture purchases made during the previous 7 years that fall into the current Boleyn Trust criteria and prepare a list of qualifying assets on conversion. Assets on conversion, including supporting documentation (where available) should be forwarded to Central Finance and are to be recorded on the financial accounting system within 2 months of conversion.
- 10.1.7. All items recorded on the Fixed Asset Register will be checked annually by the Academy Finance Lead, during the summer term. Evidence of the annual check taking place will be by date and signature of the Academy Finance Lead on the inventory sheets used for the check and retained for the current year plus 6 further

years, copies of the signed inventory sheets will be sent to the Chief Finance and Operating Officer and MAT finance Specialist clearly identified as 'Fixed Asset annual review' no later than 31 August each academic year.

10.1.8. The condition of items should be recorded as part of the annual review.

10.1.9. No asset must be disposed of without the prior consent of the CFOO.

10.1.10. Replacement of ageing fixed assets should be considered as part of the budget setting process.

10.1.11. Examples of items to be included on the asset register include:

- ICT hardware and software (these can be combined with professional services configuration costs and warranty costs)
- Office Equipment including telephone systems
- Catering equipment
- Furniture
- Audio visual equipment
- Premises equipment including generators and lawn mowers
- Other equipment including PE equipment, musical equipment
- Minibuses

10.2. Inventory

10.2.1. Each academy in the Boleyn Trust will keep an inventory to:

- Ensure proper physical control of academy equipment
- Provide a basis for insurance cover and claims if equipment is damaged or destroyed
- Provide an up-to-date record of equipment available for teaching purposes.
- Help the academy plan its equipment replacement program

10.2.2. The following categories of inventory will be entered in the inventory register at the time of acquisition by the academy:

- All items valued at £250.00 or more at the time of acquisition or purchase, either individually or as a set.
- Items below the value of £250.00 but which are considered attractive and portable.
- Items considered by the Executive Headteacher / Headteacher as being worthy of inclusion.
- Items hired to or leased by the academy, that match any of the above criteria will be included but identified accordingly.

10.2.3. The inventory register will record the following information:

- Item description
- Asset reference number (if owned by academy)
- Serial number

- Date of acquisition
- Acquisition cost (excluding VAT)
- Location
- Details of security markings
- Date of last physical check.

10.2.4. The Academy Finance Lead is responsible for maintaining the inventory register.

10.2.5. All inventory items recorded in the register will be checked annually by an employee other than the Academy Finance Lead and certified as correct.

10.2.6 Any adjustments arising from the physical check must be applied to the inventory register by the Academy Finance Lead immediately.

10.2.7 Evidence of the annual check taking place will be by date and signature of the person carrying out the check on the inventory sheets used for the check.

10.2.8 Certified inventory sheets will be retained for a period of no less than 24 months to provide an audit trail for changes made to the register as a result of the annual check.

10.2.9. All authorised disposal of academy inventory must be recorded, showing the method of disposal and the authority for such action. Where certificates are required i.e., disposal of computer equipment, these should be retained for a period covering the current year plus 6 further years.

10.2.10. A separate 'Off Site Register' must be kept for all items loaned to members of staff and pupils including confirmation that the individual concerned should provide adequate insurance cover for the item whilst in their possession off site. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check and confirmation made within 60 days of the annual check.

10.3. Security

10.3.1. All items in the fixed asset and inventory registers must be assigned a unique reference number (asset reference number) which shall be visibly recognisable on the asset and in the relevant register.

10.3.2. All portable items in the fixed asset and inventory registers must be marked with the name and postcode of the academy.

10.3.3. Items not security marked may not be covered by insurance.

10.3.4. Equipment must, where possible, be stored securely when not in use.

10.3.5. Where discrepancies between the physical count and the amount recorded in a register is identified these are to be investigated promptly and, where significant, reported to the Executive Headteacher / Headteacher and the Chief Finance and Operating Officer and MAT Finance Specialist.

11. BANKING ARRANGEMENTS / CASH MANAGEMENT

11.1. Banking

11.1.1. Bank Accounts

All decisions regarding the choice of banking service provider and subsequent banking arrangements will be made by The Board.

The Chief Finance and Operating Officer, as banking facilities administrator, will organise the opening of new bank accounts for schools converting into the Boleyn Trust, including the issue of purchase cards, BACS, and online banking services.

The Trust operates a single banking mandate for the Trust and its Academies. The authorised signatories are:

- The Chief Executive Officer
- The Deputy Chief Executive Officer
- The Chief Finance and Operating Officer
- The Director of the Teaching School Hub
- The Chair of the Trust

An up-to-date list of bank signatories will be maintained at the Boleyn Trust. In the event of key personnel changes, signatories must be changed immediately, and the bank notified.

Initial and updates to mandated bank signatories must be recorded in the minutes of the next Finance, Audit and Risk Management Committee meeting.

The CFOO and MAT Finance Specialist must ensure that academy bank accounts never become overdrawn. Any concerns regarding cash flow should be reported to the Accounting Officer immediately.

11.1.2. Deposits

When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques. Each cheque will be listed separately with reference to its purpose and a similar supporting list will accompany any cash deposits.

All deposits of cheques or cash must be checked by the Academy Finance Lead and one other (not the individual who collected the cheques/cash) before banking. Evidence must be retained that the dual checking procedure has been undertaken for audit purposes.

Central Finance is responsible for ensuring that the financial accounting system is updated. The Academies Finance Lead must ensure they provide central finance with the information to facilitate this.

11.1.3. Payment Methods

We no longer pay by cheque. All new suppliers/vendors need to complete a Supplier Set up form before a purchase can be created.

Two authorised signatories are required in all instances to confirm payments made by an academy or the Boleyn Trust, including intra-company transfers.

The principles and authorisation procedures remain the same for BACS and other electronic payment methods and are detailed in the Scheme of Financial Delegation contained within this policy.

Direct Debit instructions require two signatories from 11.1.1., one of which must be the Chief Finance and Operating Officer in all cases. Additionally, details of any signed Direct Debit instruction must be retained on file for reference.

Standing Order arrangements at an academy or the Boleyn Trust must be authorised in accordance with the relevant Scheme of Financial Delegation contained within this policy.

These provisions apply to all accounts operated by or on behalf of any constituent member of the Boleyn Trust.

Central Finance is responsible for ensuring that the financial accounting system is updated. The Academies Finance Lead must ensure they provide central finance with the information to facilitate this.

11.1.4. Administration

The Central Finance Team is responsible for carrying out academy bank statement reconciliations to the financial accounting system for all bank accounts within two weeks of receipt of a statement. Any unreconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken.

Reconciliation must be subject to an independent monthly review carried out by the MAT Finance Specialist and the Executive Headteacher / Headteacher, presented in a summary format with supporting documentation attached. Both preparer and reviewer must date and sign reconciliation documentation.

Adjustments arising are to be dealt with promptly.

11.2. Petty Cash

11.2.1. The Boleyn Trust does not operate a Petty Cash facility.

11.3. Purchase Cards

11.3.1. The issue of purchase cards to key staff members is at the discretion of the Boleyn Trust, coordinated by the Chief Finance and Operating Officer.

11.3.2. The Scheme of Financial Delegation reflects the combined purchase card limit available to an academy across all cards issued.

11.3.3. Purchase cards:

- Are issued in the Trust's name, typically to the Executive Headteacher / Headteacher and linked to the Academy's bank account.
- Are subject to the Boleyn Trust purchasing procedures and in all but the most exceptional circumstances (i.e., emergency repair up to a maximum of

£1,000.00) a pre-authorised purchase order must be obtained prior to a purchase card commitment/transaction being made.

- Must not to be used for personal use.
- Should be stored in the school safe when not in use.
- Should only be used when it is not practical to purchase an item or items through a conventional purchase order process, such examples include but are not limited to internet purchases and catering supplies (i.e., online retailers without credit agreement).
- Must only be used on secure websites that the Executive Headteacher / Headteacher/Academy Finance Lead has gained reassurance are safe and free from fraudulent activity. Bidding on online auction websites is not permitted.

11.3.4. Purchase card statements must be reconciled monthly by Central Finance to the financial accounting system, all entries will be supported by an authorised purchase order and a VAT invoice/receipt. VAT invoices/receipts must be scanned and attached to the corresponding transaction records in the financial accounting system.

11.3.5. Monthly statements are to be authorised by the Executive Headteacher / Headteacher.

11.3.6. Misuse of purchase cards by individuals must be reported to the Chief Finance and Operating Officer immediately.

11.3.7. Failure to demonstrate consistent compliance with financial control and authorisation procedures may result in purchase card facilities being withdrawn from key staff and/or the academy, at the discretion of the Boleyn Trust and/or external auditors.

11.4. BACS Procedures and Controls

11.4.1. A supplier can only be set up in the financial accounting system upon verification of the suppliers details which must be provided by the Academy Finance Lead using the supplier set-up form. Central Finance will request written confirmation from the company of their bank and VAT registration details.

11.4.2. On receipt of bank details (initial or subsequent changes thereto) the Central Finance Team will obtain independent verification, by way of e-mail or telephone call, using contact details not directly provided by the supplier.

11.4.3. Central Finance will conduct further verification by using CBO account verification tool.

11.4.4. The CFOO and Finance Specialist will approve the supplier set up upon receiving all the verification evidence from central finance.

11.4.5. The Chief Finance and Operating Officer and Finance Specialist is responsible for ensuring that all bank account changes applied to the financial accounting system are checked before any BACS payment is made.

11.4.6. All BACS payments on the financial accounting system, together with supporting 'authorised' invoices, must be signed individually by 2 authorised signatories, in

accordance with these financial regulations and the Scheme of Financial Delegation, to confirm authorisation for payment.

11.4.7. All BACS payments should be uploaded directly from the financial accounting system into the online banking system, manual keying of BACS payments will require evidence that bank details have been checked against academy records by both authorising signatories.

11.4.8. Once BACS payments have been authorised and processed, remittance advices will be sent to each supplier. It is requirement that the advice is sent electronically, directly from the financial accounting system where an appropriate audit trail is maintained.

11.5. Investments

Maximising income on balances as far as possible through a high deposit account or fixed term investment is recommended, where appropriate, ensuring compliance with the Academy Trust Handbook and guidelines set out in the Boleyn Trust Investment Policy. All additional accounts and/or investments must be coordinated by and approved by the Chief Executive Officer and Chief Finance and Operating Officer.

12. PURCHASING AND PAYMENT PROCEDURES

The Boleyn Trust must achieve Value for Money on all purchases. A significant proportion of purchases are paid with public funds, and it is essential that we 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 Boleyn Trust and within its academies.

Accountability: The Boleyn Trust and its academies are publicly accountable for their expenditure and the conduct of their affairs.

Fairness: All those involved with the Boleyn Trust and its academies are dealt with on a fair and equitable basis.

12.1. Routine Purchasing

12.1.1. Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.

12.1.2. Purchase requests will be made by:

- A direct online requisition/order request via the 'Purchase Requisitions portal' of the financial accounting system.

12.1.3. On receipt of a purchase request the Academy Finance Lead will be responsible for:

- Confirming the nominal/account (cost centre) allocation details for each order line are coded correctly.
- Ensuring Value for Money is obtained in all circumstances.
- Ensuring that where multiple competitive quotations are required according to the Scheme of Financial Delegation, documentary evidence of the various

quotations obtained must be attached to the purchase request.

- Confirming the supplier/contractor against which the order will be raised.
- Confirming, where appropriate, in consultation with the Estate Manager adequate checks (including Safeguarding and risk assessment) are to be made so that contractors engaged for building works have Public Liability Insurance Cover, minimum value determined by the conditions of the Risk Protection Scheme (RPA) and or The Board, from time to time.
- Determining that the budget(s) has/have sufficient funds to meet the order.
- Transferring a purchase request into an unauthorised order on the financial accounting system, typically within 10 working days of receipt.

12.1.4. Orders must be authorised in accordance with the 'Authorisation Limits' set out in the Scheme of Financial Delegation prior to being placed with a supplier/contractor by the Academy Finance Lead or person with delegated processing/procurement responsibility.

Orders processed through the financial accounting system will be subject to its advanced workflow and result in a fully authorised Purchase Order being generated which can be sent to the supplier/contractor.

12.1.5. It is recommended that the Academy Finance Lead, or person with delegated responsibility, review all unauthorised orders on a weekly basis to:

- Determine whether a delay in processing can be identified and resolved.
- Identify historic commitments / orders that are no longer required on the financial accounting system (these still appear as commitments on the purchase ledger and distort the trial balance), once investigated and if appropriate these should be cancelled with an appropriate narrative attached to the system document.
- Provide evidence that the order process is monitored for accuracy and efficiency.

12.1.6. On delivery

- A detailed check of the goods will be undertaken, and a record of any discrepancies made.
- The Goods Received Note (Goods Received Note)/delivery note/invoice will be signed and dated by the person(s) performing the above check for audit purposes.
- Once signed the contents of the Goods Received Note/delivery note will be promptly uploaded onto the financial accounting system.
- Any discrepancies between the Goods Received Note/delivery note(s) will be notified to the supplier/contractor within their terms by the Academy Finance Lead or person with delegated order processing/procurement responsibility.
- Discrepancies or returned items will not be entered onto the financial accounting system as received, and the Goods Received Note/delivery note will be annotated accordingly.

- It is recommended that the person checking goods received is not the same as the person raising the order.
- 12.1.7. If any goods are rejected or returned to the supplier because they are not as ordered, damaged or of a sub-standard quality the Academy Finance Lead or person with delegated responsibility will ensure the goods details are added to a local/central record of goods returned to suppliers.
- 12.1.8. All invoices should be received through the schools finance email box or in the case of HQ through the central finance email box
- 12.1.9. Both Purchase Order Invoices and Non-order Purchase Invoices, will be date stamped by the email date received, checked against the original order for accuracy (and delivery notes where appropriate) by the Academy Finance Lead and entered promptly onto the financial accounting system by Central Finance. Particular care should be exercised to ensure VAT is treated correctly and that it is posted into the correct period.
- 12.1.10. Purchase Order Invoices received where the value, including unanticipated postage/delivery costs, exceeds the authorised purchase order value but is within a tolerance limit determined by the Boleyn Trust, currently £25.00, are automatically approved for payment.

12.2. Internet Purchases

- 12.2.1. At all times, the same rigour of internal control must be placed on internet purchases as is normally applied to routine/standard procurement with regard to separation of duties, authorisation controls and independent management checking.
- 12.2.2. The Academy Finance Lead (academy) or person with delegated responsibility will be authorised to place online purchases. Any internet order must be raised in the name of the academy/Trust, not to an individual.
- 12.2.3. Requests should be made to the Academy Finance Lead or person with delegated responsibility in the normal manner (section 11.1), an official order should be raised on the financial accounting system in all but the most exceptional circumstances and authorised in accordance with the appropriate Scheme of Financial Delegation. Where possible the PO reference number should be quoted on the internet order as a cross reference.
- 12.2.4. It is the responsibility of the Academy Finance Lead to ensure the internet is the most appropriate means for procurement.
- 12.2.5. The preferred method of payment for internet purchases will be the request of an invoice from the supplier, using the normal payment route. In the event that this is not possible a key staff member issued with an academy Purchase Card (section 10.3) may place/pay for the purchase against a fully authorised purchase order (PO).
- 12.2.6. Payment by an individual's personal credit card should only be considered when the above options have been exhausted attempted and failed. The correct authorisation procedure for purchases should still be adhered to (section 11.1) and the academy/trust retains the right to refuse to reimburse the individual if the procedures are not followed.

- 12.2.7. Reimbursements to individuals should be made in the normal manner upon production of an original invoice/receipt.
- 12.2.8. Supplier invoices, delivery notes and all relevant documentation should be obtained for all internet purchases should be forwarded to each school's finance email.
- 12.2.9. Internet purchases should only be used on secure websites that the Chief Finance and Operating Officer/Academy Finance Lead has gained reassurance are safe and free from fraudulent activity. Bidding on online auction websites is not permitted.

12.3. Payments and Procedures

- 12.3.1. Central Finance is accountable for the control of BACS/other electronic payments.
- 12.3.2. Authorisation of any payment(s), in accordance with the appropriate Scheme of Financial Delegation, must be obtained prior to the release of funds.

12.3.3. BACS and Faster Payments:

- BACS processing and payments should be system generated
- Authorisation levels are determined by the appropriate Scheme of Financial Delegation and must be followed in all instances. Splitting BACS/Faster Payments so that payments fall below a local threshold is not permitted
- The input, control, and monitoring of bank account details for BACS is covered in section 11.4
- All BACS and Faster Payments require secondary approval to release funds from a bank account.

12.3.4. Internal / Intra-Company Transfers:

The Central Finance Team will be responsible for posting all internal/intra-company transactions on the financial accounting system, including funding payments, and for reconciling the appropriate control accounts in accordance with the Monthly Accounting Timetable.

Central Finance Team will be responsible for processing all bank transfers in relation to internal/intra-company transactions. This must be approved in accordance with the appropriate Scheme of Financial Delegation.

- 12.3.5 The School Approver/Trust Approver must ensure that all financial records are retained in accordance with section 8 and stored in a secure, accessible, and logical way.
- 12.3.6 BACS, other electronic payment methods will be made in accordance with the trading terms of individual contractors/suppliers since due regard must be taken of the 'Late Payment and Commercial Debt Regulations 2002' and the reputation of the Boleyn Trust.
- 12.3.7. If discounts are available for prompt payment, then payments can be made immediately, having considered any loss of interest that might arise.
- 12.3.8. Original purchase order invoices (POIN) must be marked as 'PAID' and clearly marked

with the financial accounting system payment reference and journal entry numbers.

12.3.9. Copy invoices are not to be paid unless verified that payment has not previously been made and that the invoice related to a previously authorised purchase order. References back to the original order are to be made in every case. Once the checks have been made the invoice must be signed to confirm this and endorsed 'Copy invoice not previously passed for payment'.

12.3.10. Payments must not be made against statements or pro-forma invoices under any circumstance.

12.3.11. All documentary evidence relating to a purchase order/invoice must be scanned and attached to the transaction entry, using the document attachment module, in the financial accounting system, the attachment should include:

- Purchase Order (fully authorised)
- Delivery Note/Good Received Note (signed and validated)
- Invoice (clearly showing approved for payment)
- Supporting quotes, warranties, and additional information as appropriate.
- Remittance Advice

12.4. Tendering Procedures

12.4.1. Introduction to tendering

In accordance with agreed procurement standards, approval of high value purchases, new contracts and capital projects will only be made after following the Boleyn Trust's tendering procedure.

The Chief Finance and Operating Officer must be advised of potential qualifying purchases/contracts/projects in the first instance by Headteacher prior to proceeding with the tender process. All tendering will be managed centrally and overseen by the Chief Finance and Operating Officer.

If the Boleyn Trust or one of its academies undertakes a high-value or a Public Contract Regulations purchase an Invitation to Tender will need to be issued as part of the process. An Invitation to Tender is a pack of documents sent out to potential suppliers inviting them to submit a bid.

For more specialist or complex works and purchases, the Trust or academy may choose to appoint a professional third party to carry out the tender process on their behalf (i.e., consultant, architect etc.). If a third party is used, it is expected to apply these regulations with the same rigour and ensure that the principles of the Office of Government Commerce (OGC) Procurement Policy and Standards Framework are adhered to. The CFOO must be involved in all qualifying capital project work.

12.4.2. 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.

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 balance between the contract value and administrative costs.
- a large number of suppliers would come forward or because the nature of the goods is such that only specific suppliers can be expected to supply the academy's requirements; and
- 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 where:

- the above methods have resulted in either no or unacceptable tenders.
- only one or very few suppliers are available.
- extreme urgency exists.
- deliveries by the existing supplier are justified; and
- A specific service where only certain suppliers can provide.

12.4.3 Preparation for Tender

Full consideration should be given to the objective of the project, overall requirements, technical skills required, after sales service requirements and form of contract. It may be useful after all requirements have been established to rank requirements (e.g., mandatory, desirable, and additional) and awards marks to suppliers on fulfilment of these requirements to help reach an overall decision.

12.4.4. Invitation to Tender

If a restricted tender is 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.
- Form of response.

12.4.5. Aspects to Consider

Financial

- Like should be compared with like and if a lower price means a reduced service, functionality, or 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?
- It is recommended that a total cost of ownership exercise, over a minimum period of 5 years, is undertaken

Technical/Suitability

- Qualifications of the contractor/supplier
- Relevant experience of the contractor/supplier
- Description of technical and service facilities
- Certificates of quality/conformity with standards as applicable
- Quality control procedures
- Details of previous sales and references for past customers

Other considerations

- Pre-sales demonstrations
- After sales service and support, warranties
- Financial status of contractor/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.

12.4.6. Tender Instructions

- The invitation to tender should state the date and time by which the completed tender document should be received by the academy.
- Tenders should be submitted in plain envelopes 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.

12.4.7 Tender opening procedures

- Two people should be present for the opening of tenders.
- All tenders submitted should be opened at the same time and the tender details recorded.
- 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.

12.4.8. Tendering Evaluation and Acceptance

The Board has set a minimum requirement of 3 (three) tenders for fair evaluation purposes and in the interest of achieving best value. In any consideration of less than that number being received the Local Governing Board must refer this in the first instance to the Chief Finance and Operating Officer for subsequent referral to the

Audit Committee who will consider whether this is sufficient and consider re tendering. Decisions to go ahead should fully document the justification.

The evaluation process should involve at least two people. Those involved must 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 deciding must take care not to accept gifts or hospitality from potential suppliers/contractors that could compromise or be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and a report should be prepared for the Audit Committee highlighting the relevant issues recommending a decision.

Where required by the conditions attached to a specific grant from the Department for Education/Education and Skills Funding Agency, their approval must be obtained before the acceptance of a tender.

The accepted tender should normally be the one that is economically most advantageous in terms of best value to the academy that meets all the requirements identified at scoping. All parties should then be informed of the decision. Where a tender other than the lowest has been accepted, the reasons for its acceptance must be documented and reported by the Boleyn Trust Audit Committee. All decisions made must be justified and recorded as such in the minutes of that meeting for future reference.

A copy of the tender documentation should be held on site for easy reference as required.

Acceptance of any tender will be confirmed to the contractor/supplier in writing and no work shall be started until this has been done.

Any contracts awarded will include a paragraph to the effect that any contractor will be prohibited from transferring or assigning, directly or indirectly, any portion of the contract to any other person or contractor, without the written permission of the Audit Committee.

12.5. Public Contracts Regulations (PCR) Threshold

12.5.1. Purchases over the PCR threshold are to be dealt with in accordance with the Public Contracts Regulations and in accordance with the appropriate Scheme of Financial Delegation.

12.5.2. The Boleyn Trust will retain oversight of potential qualifying purchases, procedures detailed in section 12.4.1 must be observed

12.5.3. The Finance, Audit and Risk Management Committee will be responsible for authorising qualifying purchases, committee minutes will reflect the discussion and authorisation prior to any commitment being made.

12.6. Existing Contract Review and Procedures

- 12.6.1. Where the average annual contract with a supplier for a service exceeds £50,000 then tendering procedures detailed in section 12.4 will be implemented on contract renewal.
- 12.6.2. High-Value contracts with Key Partners i.e., those in excess of £100,000 per annum, or those additionally identified by the Chief Finance and Operating Officer from time to time, will be subject to a formal review every 3 (three) years to ensure best value is maintained, findings and actions if appropriate will be included in the minutes of the next Finance, Audit and Risk Management Committee.
- 12.6.4. Boleyn Trust Preferred Suppliers are designated by the Chief Finance and Operating Officer.
- 12.6.5. All 'other contracts' i.e., local academy agreements will be monitored regularly, typically annually, to ensure best value is maintained.

13. PAYROLL AND PERSONNEL PROCEDURES

- 13.1. All staff appointments, amendments to an employee's terms of employment and terminations of employment are to be made in accordance with the arrangements laid down in section 3.8. of this policy, the Boleyn Scheme of Delegation and other relevant Boleyn policies.
- 13.2. There must be clear two step authentication of data input and approval on a Payroll Service Providers electronic platform. In all instances the instruction to apply and approve changes/updates must be made in accordance with arrangements set out in section 3.8. of this policy.
- 13.3. The Academy Finance Lead (or person with specifically delegated responsibility) and School Approver (SA) i.e., Executive Headteacher (EHT)/Headteacher (HT) will be responsible for maintaining accurate and up to date personnel records within the payroll service provider system and ensuring that the information is also passed over to Central Finance Team on time for updating Boleyn Trust financial accounting and budgeting systems.
- 13.4. Neither the Executive Headteacher / Headteacher nor the Head of School (HoS)/Deputy Headteacher (DH) can authorise amendments concerning their own pay and contract conditions. Changes to the Executive Headteacher / Headteacher pay and contract conditions must be authorised by the Chief Executive Officer (who may delegate this to a member of the Executive).
- 13.5. The Academy Finance Lead cannot authorise amendments concerning their own pay and contract conditions. Changes to the Academy Finance Lead pay contract conditions must be authorised by the Headteacher.
- 13.6. Designated individuals within The Boleyn Trust Central Operations Team will retain administrator and authoriser permissions across all academies within the Boleyn Trust for support and resilience purposes.
- 13.7. All salary payments must be made by BACS.
- 13.8. The Central Finance and Payroll team has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed, in accordance with timeframes determined in the Monthly Accounting Timetable.
- 13.9. The Apprenticeship Levy will be monitored by Central Finance and Payroll Team, who will

liaise with both the Payroll Service Provider and adjust as necessary.

- 13.10. Payments made each month to the Payroll Service Provider are debited against the relevant budgets and credited to payroll control accounts. After the appropriate BACS transfers and the corresponding entries in the payroll control accounts and the academy/trust bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled and appropriate explanations documented. It is the responsibility of the Central Finance and Payroll Team to ensure that this is done.
- 13.11. Each month the Central Finance Team will reconcile back to bank statements all payments for salaries, BACS, and other salary related payments.
- 13.12. Each term the CFOO will check a sample of personnel/budget records maintained by the academy to the payments actually made by the Payroll Service Provider. Any variances must be investigated, and a documented explanation provided, with adjustments made as appropriate.
- 13.13. It is expected that over the course of an academic year every member of staff would have his/her salary payment checked against budget and personnel records at least termly. It is the responsibility of the CFOO or his delegated representative to ensure this is done. This monitoring is to be recorded and available for checking by external auditors, and Accounting Officer as required.
- 13.14. The CFOO and MAT Finance Specialist will carry out termly management checks to ensure that all internal control mechanisms shown above are in place and are being adhered to, and to ensure the accuracy of payroll working papers.
- 13.15. The CFOO is responsible for ensuring that annual salary statements are issued to all staff as follows:
 - Those employees on Teachers Conditions – September annually.
 - Those employees on Local Government Conditions – April annually
 - Copies of salary statements are to be filed in the employee's personal file and kept secure.

14. INCOME

14.1. EFSA Grants

- 14.1.1. The main source of income for the Boleyn Trust is by way of academy grants from the Education and Skills Funding Agency, i.e., General Annual Grant, Pupil Premium Grant, Universal Infant Free School Meals Grant, PE & Sports Grant etc.
- 14.1.2. All Education and Skills Funding Agency Grant transaction processing, including posting onto the financial accounting system, will be undertaken centrally, and monitored by the Chief Finance and Operating Officer and Finance Specialist.
- 14.1.3. It is the responsibility of the Academy Finance Lead to ensure that ESFA funding in relation to their academy(s) reconciles and that holdback calculations are accurate. The original Education and Skills Funding Agency remittance advice and a Payment Schedule, detailing holdback calculations and cumulative funding information, will be provided for reconciliation purposes.
- 14.1.4. It is the responsibility of the Academy Finance Lead to ensure that Education and

Skills Funding Agency Grants due to the academy are received and that any variance between budget and actuals are investigated immediately.

14.2. Other Grants

14.2.1. The receipt of these sums e.g., Local Authority Income, is monitored directly by the Academy Finance Lead who is responsible for ensuring that all grants due to the academy are collected.

14.2.2. Variances between budget and actuals should be investigated immediately and reported to the Executive Headteacher / Headteacher.

14.3. Other income

14.3.1. Other income includes but is not limited to catering, lettings, trips, clubs, and charitable collections.

14.3.2. It is the responsibility of the Academy Finance Lead to ensure that all income due to the academy has been received, banked and that all income due to the academy is collected and all information passed to Central Finance Team to be reconciled to the financial accounting system.

14.3.3. Income received through automated online payment systems (cashless facilities) for items such as dinner money, lettings, trips, clubs, charitable collections etc. will be entered onto the financial accounting system at least weekly, supported by system generated reports that detail the amount, name of the person that the payment relates to, date and purpose of the payment and then reconciled to the bank account as soon as practicable. When setting up a contract with a new supplier for provision of an online payment system, consideration should be given to the following areas:

- Basis of fees payable to the company
- Complete audit trail and facility of income reconciliation of totals received
- Reminder facilities to chase up overdue amounts.

Any contract for the services of an online parental payment system service provider will be reviewed regularly by the Boleyn Trust to ensure its academies are receiving value for money and that the provider is giving an adequate service.

14.3.4. All 'other income' not received electronically should be accepted in a money envelope and recorded immediately, on the academy's Daily Income Collection Record ANNEX. The collection record must contain the amount received, the name of the person / organisation making the payment, the person acknowledging receipt, the date the payment is received by the academy and the method by which the payment is made i.e., cheque or cash. It is recommended best practice that where cash is received dual control exists and that money envelopes are retained for at least 3 months.

14.3.5. All income received by the academy should be banked at a minimum weekly and in full. The insurance cover for cheques and cash held on site must not be exceeded. However, if a high level of income is expected e.g., proceeds from a fete, the insurer must be informed to obtain short term cover and the income must then be banked as soon as practicable.

- 14.3.6. Personal cheques must not be cashed.
- 14.3.7. When income is banked the collection record must be totalled in value in order to provide a clear cross reference to the value entered on the paying in slip. The bank paying in slip number should then be entered onto the income collection record to assist in providing a clear and simple audit trail.
- 14.3.8. The Academy Finance Lead is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank, and ensuring this reconciliation is provided to the Central Finance Team to be posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Headteacher.
- 14.3.9. Other income received at the academy will be acknowledged to the payer by either:

- Issue of a receipt when the value of the payment exceeds £20.00.

No category of other income should be excluded from the issue of a receipt e.g., academy meals, charitable collections, trips, clubs etc. Copies of receipts issued should be retained for future reference, e.g., to resolve a future reference.

Where required, official pre-numbered academy receipts should be issued for all cheques and cash where no other formal documentation exists. All cheques and cash must be kept safe prior to banking in the schools safe.

14.4. Invoiced Income

- 14.4.1. Income due that is not managed through an online payment service provision i.e., School Money, must be invoiced using the financial accounting system.
- 14.4.2. The Boleyn Trust is not VAT registered, VAT on income does not need to be accounted for.

14.5. Gift Aid

- 14.5.1. The Boleyn Trust is an exempt charity and able to claim gift aid on donations from individuals.
- 14.5.2. Gift aid claims will be made online by Central Finance, on behalf of an academy, against supporting information provided by the Academy Finance Lead.
- 14.5.3. Gift aid income will be remitted to the Boleyn Trust, reconciled against the application, and then transferred to the academy to which it relates.

15. RISK MANAGEMENT

- 15.1. The CFOO is responsible for ensuring that a Trust risk register is prepared and updated regularly and shared as a standing item at all Finance, Audit and Risk Management Committee meetings termly.
- 15.2. The Executive Headteacher / Headteacher are responsible for ensuring that a risk register is prepared and updated regularly in the format determined by the Boleyn Trust and shared termly with their Local Governing Board. It should identify significant risks and the member of staff responsible for managing it.

- 15.3. It is recommended that reviews are undertaken at least termly initially by a 'working party' consisting of a Local Governor, Executive Headteacher / Headteacher and Academy Finance Lead and that both local and central risks are included and managed in line with the Boleyn Trust Risk Management Policy, for discussion at the next Local Governing Board or Committee meeting and included in the minutes as appropriate.
- 15.4. Risk Management must be a standing agenda item at each Local Governing Board meeting and a copy of the register present for discussion.
- 15.5. Termly a copy of the Risk Register must be submitted to admin@theboleyntrust.org or more regularly if significant changes are identified.
- 15.6. Where risk arises that threatens the reputation of the Boleyn Trust or the financial viability of an academy, they should be notified to the Board through the Chief Finance and Operating Officer immediately.

16. APPENDICES

16.1 Finance, Audit and Risk Management Committee Terms of Reference

The board of trustees (the Trust Board) of The Boleyn Trust (the Academy Trust) has established a committee of the Board to be known as the Finance, Audit and Risk Management Committee (the Committee). These are its terms of reference.

Membership: The Committee will be appointed by the Trust Board and will comprise no more than five and no fewer than three members, of whom a majority will be Trustees.

Attendance: The Committee may ask the Chief Executive and any other senior executive to attend meetings of the Committee either regularly or by invitation, to provide information.

Quorum: The quorum for each meeting shall be one half of the members of the Committee in office at the time of the meeting (rounded up) providing trustees are in the majority.

Voting: Decisions of the Committee shall be taken by a simple majority of those present and voting. The Chair will have a casting vote on an equality of votes.

Confidentiality: Absolute confidentiality must be maintained in respect of any item concerning individuals.

Meetings: The Committee shall meet termly on such dates as shall be determined by the Committee from time to time and at such other time as the Clerk shall specify at the request of any member of the Committee.

Unless otherwise agreed, notice of each meeting confirming the venue, date, and time together with an agenda shall be sent to each member of the Committee and any other person invited or required to attend no fewer than seven working days prior to the date of the meeting.

Audit committee functions should be established in such a way as to achieve internal scrutiny which delivers objective and independent assurance, which means that:

- staff employed by the trust should not be members of an audit committee but may attend to provide information and participate in discussions.

The accounting officer and other relevant senior staff should routinely attend the committee in the capacity set out directly above.

Reporting back: The Clerk will minute the proceedings and resolutions of the Committee and ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

At every meeting of the committee the minutes of the last meeting shall be an agenda item, and, if agreed to accurate, shall be signed as a true record.

Authority: The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any

employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the Trust Board to obtain outside legal or other independent professional advice and to secure the attendance of any person at any Committee meeting with relevant experience and expertise if it considers this necessary.

Duties

The duties of the Committee shall be to:

- develop a financial strategy for the Trust and consider policies, procedures or plans required to realise such strategy.
- consider the Trust's indicative funding, once notified by the ESFA, and to assess its implications for the Trust, in consultation with the CEO and the Chief Finance and Operating Officer, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trustees.
- to receive School budgets for approval.
- consider and recommend acceptance/non-acceptance of the Trust's budget to the Trustees.
- monitor any variances from the budget and ensure the ESFA is notified as required.
- receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the Trust development plan.
- liaise with and receive reports from the Standards Committee and make recommendations to those committees about the financial aspects of matters being considered by them.
- monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, drawing any matters of concern to the attention of the Trust Board.
- monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- prepare the financial statement to form part of the annual report of the Trustees.
- ensure the Trust's commercial and fundraising activities are carried out effectively.
- examine and review new initiatives for financial development, including fundraising.
- oversee significant investment and capital financing decisions.
- approve and keep under review the Trust's investment policy.
- approve and keep under review the Trust's reserves policy.
- promptly notify the Trust Board of all financial matters of which the Committee has knowledge, and which may materially affect the current or future position of the Trust.
- advise generally on the provision of resources and services to the Trust.
- to review, on a regular basis, its own performance, constitution, and terms of reference to ensure it is operating at maximum effectiveness.
- to consider, determine and keep under review a framework or policy for the remuneration, benefits and incentives of the Chief Executive Officer and such other officers as the Trust Board shall from time to time direct.
- in determining that framework, to seek evidence of the remuneration, benefits and incentives paid to senior executives in comparable employment within the commercial and voluntary sectors.
- to consider the outcome of every appraisal of the performance of the Chief Executive Officer and such other senior executives as the Board shall from time to time direct.
- to make recommendations to the Trust Board as to the remuneration, benefit and incentives that should be paid to the Chief Executive Officer and such other senior executives as the Trust Board shall from time to time direct with a view to ensuring that they are encouraged to enhance their

performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Trust and its progress towards fulfilling its objectives.

- to make recommendations to the Trust Board as to the remuneration, benefits, and incentives of newly appointed senior executives.
- to consider other topics, as defined by the Trust Board from time to time.
- to review, on a regular basis, its own performance, constitution, and terms of reference to ensure it is operating at maximum effectiveness.
- to consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal.
- to discuss with the external auditor before the audit commences the nature and scope of the audit.
- to review the annual financial statements before submission to the Trust Board, focusing particularly on:
 - any changes in accounting policies and practices.
 - areas involving a significant degree of judgement.
 - significant adjustments resulting from the audit.
 - the going concern assumption.
 - compliance with accounting standards.
 - compliance with legal requirements.
 - the clarity of disclosures; and
 - the consistency of accounting policies from year to year.
- to discuss problems and reservations arising from the audit and any matters the external auditor may wish to discuss (in the absence of the management where necessary).
- to review the internal audit function, consider the major findings of internal audit investigations and the management's response, and ensure co-ordination between the internal and external auditors.
- to keep under review, the effectiveness of internal control systems, and review the external auditor's management letter and the management's response.
- to develop and keep under review risk management and measurement strategies across the Trust together with the procedures for monitoring the adequacy and effectiveness of those processes.
- to review the action and implementation of risk management policy across the Academy Trust.
- to consider the Trust's risk profile relative to current and future Trust strategy and identifying any such trends, concentrations or exposures and any requirement for policy change.
- to receive and review risk management and relevant regulatory information and reports.
- to consider material breaches of the agreed risk limits, review the actions taken in response and to prevent a repeat occurrence.
- to consider the effect on the rights of the Trust of the findings of the internal audits or the external audits.
- to consider, determine and keep under review any strategies and policies for human resources and organisational development.
- to consider, determine and keep under review effective arrangements for consultation with staff as a whole and for negotiation and consultation with appropriately recognised Trade Unions and/or other representatives.
- to undertake the role of the disputed resolution panel to consider appeals against the Chief Executive Officer or Trust decisions.
- to ensure effective measures are in place to promote equality and diversity in employment.
- to consider the details of restructuring programs following any necessary approvals in principle by the Trust Board.
- to develop strategy and policy in all matters relating to the recruitment, reward, retention, motivation, and development of the Trust's staff; and
- to review, on a regular basis, its own performance, constitution, and terms of reference to ensure it is operating at maximum effectiveness.

Please note:

Audit committee functions should be established in such a way as to achieve internal scrutiny which delivers objective and independent assurance, which means that:

- staff employed by the trust should not be members of an audit committee, but may attend to provide information and participate in discussions; and
- where the trust operates a combined finance and audit committee, staff may be members but should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions

The accounting officer and other relevant senior staff should routinely attend the committee in the capacity set out directly above.

16.2 Scheme of Financial Delegation for Academies / London District East

Ordering Goods and Services	Value	Delegated Authority	Notes
	Up to £5000	Headteacher / Director	Selection from preferred supplier list unless agreed otherwise with the Chief Finance and Operating Officer
	£5,001 to £10,000	Headteacher / Director	Minimum of three quotes
	£10,001 to £50,000	Headteacher / Director and either the Chief Executive Officer or Chief Finance and Operating Officer	Minimum of three quotes
	£50,001 to £99,999	Chief Executive Officer and Chief Finance and Operating Officer	Formal tendering process, including Public Contracts Regulations Threshold
	£100,000 – and above	Board of Directors (Trustees)	Formal tendering process, including Public Contracts Regulations Threshold. Must be minuted at next Board Meeting
	Authority to accept other than lowest quote	Chief Executive Officer and Chief Finance and Operating Officer	This request is to be supported by documented explanation prepared by the Academy Finance Lead & School Approver
Payments	Value	Delegated Authority	Notes
BACS payment run authorisations	Any Value	Academy finance Lead Headteacher	
BACS CBO Approval	Any Value	Chief Executive (delegated to MAT finance specialist) and CFOO	
Nett Pay and HMRC Payroll Payments	Any value	Chief Executive (delegated to MAT finance Specialist) and Chief Finance and Operating Officer	
Purchase Card	Any value	Headteacher	Purchase payments can only be made if supported by a full authorised Purchase Requisition Order. Must be authorised by Headteacher as card in Headteachers name

Direct Debits	All instructions	Chief Executive Officer Deputy Chief Executive Officer Chief Finance and Operating Officer Director of the Teaching School Hub	Any two signatories from the list
Disposal of Assets	Value	Delegated Authority	Notes
	Any Value	Chief Executive Officer or Chief Finance and Operating Officer	
	Disposing of a freehold of land or buildings; Disposing of heritage assets, as defined in financial reporting standards; and beyond any limits in the funding agreement for the disposal of assets generally.	The Board with approval of the Secretary of State	
Write off of bad debts	Value	Delegated Authority	Notes
	1% of annual income or £45,000 individually; or 2.5% or 5% of annual income Cumulatively	Chief Executive Officer and Chief Finance and Operating Officer	In some circumstances, Education and Skills Funding Agency approval may be required
Contractual Agreements	Value	Delegated Authority	Notes
Operating leases or contracts over 1 year	Any	All contracts and leases must be approved in line with the above (ordering goods and services) and signed centrally by the Chief Executive Officer and Chief Finance and Operating Officer	Boleyn Trust does not require Education and Skills Funding Agency approval for operating leases except for some transactions relating to land and buildings. Any lease arrangement must maintain the principles of value for money, regularity and propriety whether or not Education and Skills Funding Agency's prior approval is required.

Finance leases	Any	All finance leases must be referred to the Chief Finance and Operating Officer as Education and Skills Funding Agency approval is required.	<p>Education and Skills Funding Agency prior approval must be sought for the following leasing transactions:</p> <p>Taking up a finance lease on any class of asset for any duration from another party (borrowing)</p> <p>Taking up a leasehold or tenancy agreement on land and buildings for another party for a term of seven or more years</p> <p>Granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to another party.</p>
Purchase or sale of any freehold property	Value	Delegated Authority	Notes
	Any	Education and Skills Funding Agency approval required	
Capital Projects/Purchases	Value	Delegated Authority	Notes
	Up to £10,000	Headteacher and CFOO	All non ICT to be centrally procured.
	£10,001 to £99,999	Chief Executive Officer and Chief Finance and Operating Officer	To be centrally procured and FARM Committee to be informed.
	Over £100,000	The Board of Directors (Trustees)	To be centrally procured and reported to the Board

16.3 Scheme of Financial Delegation for Head Office

Ordering Goods and Services	Value	Delegated Authority	Notes
	Up to £99,999	Chief Executive Officer; and Chief Finance and Operating Officer	Selection from preferred supplier list unless agreed otherwise with the Chief Finance and Operating Officer. Up to £5,000 (one quote); £5,001 to £10,000 (two quotes); £10,001 to £50,000 (three quotes); £50,000 to £99,999 (Formal tender process, including a minimum of three suitably qualified suppliers)
	Over £100,000	The Board	Public Contracts Regulations Threshold advertising required with FARM Committee's approval and Board Ratification.
	Authority to accept other than lowest quote	FARM Committee	This request is to be supported by documented explanation prepared by the Chief Finance and Operating Officer.
Payments	Value	Delegated Authority	Notes
BACS payment	Any payment	Chief Executive Officer (delegated authority to MAT Finance Specialist) Deputy Chief Executive Officer Chief Finance and Operating Officer Director of the Teaching School Hub	Any two signatories from the list

CBO Payments	As above	Chief Executive Officer (delegated authority to MAT Finance Specialist) Deputy Chief Executive Officer Chief Finance and Operating Officer Director of the Teaching School Hub	
Purchase Card	Any	Chief Executive Officer	Purchase payments can only be made if supported by a full authorised Purchase Requisition Order. Must be authorised by Chief Executive Officer as card in in Chief Executive Officer name
Direct Debits	All instructions	Chief Executive Officer Deputy Chief Executive Officer Chief Finance and Operating Officer Director of the Teaching School Hub + Chair of the Trust	Any two signatories from the list
Disposal of Assets	Value	Delegated Authority	Notes
	Any	Chief Executive Officer and Chief Finance and Operating Officer	The Management Accountant must identify all assets to be capitalised and must ensure these are included in the Academy's Fixed Register
	Disposing of a freehold of land or buildings; Disposing of heritage assets, as defined in financial reporting standards; and beyond any limits in the funding agreement for the disposal of assets generally.	The Board with approval from the Secretary of State	
Write off of bad debts	Value	Delegated Authority	Notes

	1% of annual income or £45,000 individually; or 2.5% or 5% of annual income Cumulatively	Chief Executive Officer; and Chief Finance and Operating Officer	In some circumstances, Education and Skills Funding Agency approval may be required
Contractual Agreements	Value	Delegated Authority	Notes
Operating leases or contracts over 1 year	Any	All contracts and leases must be approved in line with the above (ordering goods and services) and signed centrally by the Chief Executive Officer and Chief Finance and Operating Officer	Boleyn Trust does not require Education and Skills Funding Agency approval for operating leases except for some transactions relating to land and buildings. Any lease arrangement must maintain the principles of value for money, regularity and propriety whether or not Education and Skills Funding Agency's prior approval is required.
Finance leases	Any	All finance leases must be referred to the Chief Finance and Operating Officer as Education and Skills Funding Agency approval is required.	Education and Skills Funding Agency prior approval must be sought for the following leasing transactions: Taking up a finance lease on any class of asset for any duration from another party (borrowing) Taking up a leasehold or tenancy agreement on land and buildings for another party for a term of seven or more years Granting a leasehold interest, including a tenancy agreement, of any duration, on land and buildings to

Purchase or sale of any freehold property	Value	Delegated Authority	Notes
	Any	Education and Skills Funding Agency approval required	
Capital Projects	Value	Delegated Authority	Notes
	Up to £99,999	Chief Executive Officer and Chief Finance and Operating Officer	FARM Committee informed
	Over £100,000	The Board	