



Diocese of Chelmsford Vine Schools Trust

Financial Regulations Policy

(Including scheme of financial delegation)

[Insert Academy logo]

[Insert Academy name]

Version 1.91 – September 2017

Next review: Autumn 2018

This policy is a mandatory policy for all Vine academies and must be implemented with no amendments.

Financial Regulations Policy

(Including Scheme of Financial Delegation)

The Vine Schools Trust	
Approved by:	The Vine Schools Trust
Signature:	Philip Preston Chairman
Date:	

[Name of Academy]	
Approved by:	Local Governing Body/Local Board
Signed (Chair of Local Governing Body/Local Board)	
Date:	

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1. Introduction

- 1.1. The Diocese of Chelmsford Vine Schools Trust (Vine Trust) Board of Directors 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.
- 1.2. The purpose of this financial regulations manual is to ensure that each academy within The Diocese of Chelmsford Vine Schools Trust (Vine 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 (ESFA).
- 1.3. The Vine Trust and its academies **must** comply with the principles of financial control outlined in the [Academies Financial Handbook](#) (AFH) published by the Department for Education (DfE). This financial regulations manual expands on that and provides more detailed information on the Vine Trust's procedures and systems which should be read by all staff involved with financial systems and adopted in all academies within the Vine Trust.
- 1.4. This financial regulations manual provides information and guidance on day-to-day operations and practicalities forming from this financial regulations manual.
- 1.5. A predetermined Scheme of Financial Delegation (SoFD) operates in conjunction with this financial regulations manual. Academies **must** adhere to the SoFD, only the Vine Trust Board can approve variances to an academies SoFD. The SoFD for each academy can be found within [Appendix 15.1](#)
- 1.6. The AFH schedule of requirements, Annex C, identifies the '**musts**' that the Vine Trust and its academies need to satisfy. The Board, Executive Headteachers, Headteachers, Heads of School, Local Boards, 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.
- 1.7. These financial regulations should be read in conjunction with the Vine Trusts other financial management related policies and the DfE's AFH;
 - 1.7.1. Accounting Policy
 - 1.7.2. Capital and Revenue Reserves Policy
 - 1.7.3. Gifts and Hospitality Policy
 - 1.7.4. Anti Fraud and Corruption Policy
 - 1.7.5. Risk Management Policy
 - 1.7.6. Investment Management Policy
 - 1.7.7. Whistle Blowing Policy
 - 1.7.8. Staff Consultancy Policy?
 - 1.7.9. Lettings Policy?
 - 1.7.10. Directors and Local Governors Allowance Policy
 - 1.7.11. Charging and Remissions Policy
 - 1.7.12. Expenses Policy
 - 1.7.13. Special Payments Policy
 - 1.7.14. Scheme of Delegation

2. Organisation and Structure

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

2.1. Vine Trust Board of Directors (The Board)

- 2.1.1. The Board of the Vine Trust have wide responsibilities under statute, regulations and its funding agreement with the ESFA. Principally, it is responsible for ensuring that the Vine Trust's funds are used only in accordance with the law, its articles of association, scheme of delegation, its funding agreement and the AFH.
- 2.1.2. The Board retains overall responsibility for the administration of the Vine Trust's funds. The main responsibilities include:
 - 2.1.2.1. Ensuring that grants from the Department for Education (DfE) are used only for the purposes intended
 - 2.1.2.2. Ensuring that the Vine Trust and its academies are statutorily compliant
 - 2.1.2.3. Ensuring that the Vine Trust and its academies manage risk effectively
 - 2.1.2.4. Provision of an operational and governance framework for academies in the Vine Trust
 - 2.1.2.5. Appointment of the Principal/EHT/HT in Vine Trust academies

2.2. Vine Trust Finance and Audit Committee

- 2.2.1. The Finance and Audit Committee is a committee of The Board which **must** meet at least termly, more frequently if necessary.
- 2.2.2. Responsibilities of the Finance and Audit Committee are detailed in the committees Terms of Reference, which have been authorised by The Board. The main responsibilities include:
 - 2.2.2.1. Ensuring that the Vine Trust undertakes proper financial planning, monitoring and probity.
 - 2.2.2.2. Ensuring that the Vine Trust operates in accordance with ESFA regulations, legislation and complies with its funding agreements.
 - 2.2.2.3. To monitor and provide an oversight of the adequacy and effectiveness of the Vine Trust's systems of internal control, arrangements for risk management, control of governance processes and Value for Money (VfM) framework, which will include the securing of economy, efficiency and effectiveness of the Vine Trust and its members.
 - 2.2.2.4. Receiving, assessing and approving an annual budget plan and forward forecast for each Academy in the Vine Trust.
 - 2.2.2.5. Ratification of Academy interim budget revisions submitted to and approved by the CFO.
 - 2.2.2.6. Authorisation of transactions in accordance with the SoFD.

2.3. Accounting Officer (AO)

- 2.3.1. The Vine Trust has designated the Chief Executive Officer (CEO), the senior executive officer of the Vine Trust, as its Accounting Officer (AO).
- 2.3.2. Under the guidance of The Board the AO **must** have appropriate oversight of financial transactions by:
 - 2.3.2.1. Ensuring that all the Vine Trust's property and assets are under the control of the directors, and measures are in place to prevent losses or misuse, including maintenance of fixed asset registers
 - 2.3.2.2. Ensuring that bank accounts, financial systems and financial records are operated by more than one person.
 - 2.3.2.3. Keeping full and accurate accounting records to support the Vine Trust's annual accounts
- 2.3.3. The role of AO includes specific responsibilities for financial matters detailed in the AFH. It includes a personal responsibility to Parliament, and to the ESFA's Accounting Officer, for the financial resources under the Vine Trust's control.
- 2.3.4. AO's **must** be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly:
 - 2.3.4.1. **Value for Money (VfM)** – this is about achieving the best possible outcomes through the economic, efficient and effective use of resources. A key objective is to achieve VfM not

only for the Vine Trust but for taxpayers generally. A full definition is included in Annex A of the AFH.

- 2.3.4.2. **Regularity** – dealing with all items of income and expenditure in accordance with legislation, the terms of the trust’s funding agreement and the AFH, and in compliance with the trust’s internal procedures – this includes spending public money for the purposes intended by Parliament.
- 2.3.4.3. **Propriety** – the requirement that expenditure and receipts should be dealt with in accordance with Parliament’s intentions and the principles of parliamentary control – this covers standards of conduct, behaviour and corporate governance.
- 2.3.5. The AO **must** complete and sign a statement of regularity propriety and compliance each year and submit this to the ESFA with the audited accounts and demonstrate how the trust has secured VfM via the governance statement in the audited accounts of the Vine Trust.
- 2.3.6. Whilst the AO 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 Financial Officer (CFO).
- 2.3.7. The AO takes personal responsibility (which can be delegated) for assuring The Board that there is compliance with the AFH and the funding agreement.
- 2.3.8. The AO **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 AFH. Similarly, the AO **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 AFH or funding agreement. Where The Board is minded to proceed, despite the advice of the AO, the AO **must** consider the reasons The Board gives for its decision. If, after considering those reasons the AO still considers that the action proposed by The Board is in breach of the articles, the funding agreement or the AFH, the AO **must** notify ESFA’s accounting officer immediately, and in writing.

2.4. Finance Director (FD)

- 2.4.1. The Finance Director (FD) and/or Vine Trust Designated Director (VTDD) works with the AO and has day-to-day responsibility for monitoring Vine Trust expenditure.
- 2.4.2. The FD or VTDD is the ‘over budget approver’ for Academy expenditure as defined in each academies SoFD.
- 2.4.3. The role of ‘over budget approver’ may be delegated to a Trust Approver (TA), discretionary levels and procedures are detailed within these regulations and the Central Operations Scheme of Delegation (Appendix 1e.)

2.5. Chief Financial Officer (CFO)

- 2.5.1. The Board has designated the Chief Operating Officer (COO) as the Chief Financial Officer of the Vine Trust.
- 2.5.2. The Chief Financial Officer (CFO) is an executive officer appointed by The Board to lead on financial matters. The CFO 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.
- 2.5.3. The main responsibilities of the CFO are detailed in the post holder’s job description and the AFH.

2.6. Local Governing Body / Local Board (LGB/LB)

- 2.6.1. The Academy will have a LGB or LB who will work in close collaboration with the Academy Trust’s central staff. Their responsibilities are set out in the Scheme of Delegation and include the following:
 - 2.6.1.1. Scrutiny of the annual budget before recommending to the Vine Finance & Audit Committee for approval.
 - 2.6.1.2. Determining the Academy/academies financial priorities through the Academy Priority Plan (APP) and the Asset Management Plan (AMP).

- 2.6.1.3. Receiving monthly management reports to facilitate the monitoring of the Academy/academies actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary.
- 2.6.1.4. Inform The Board through the CFO at the earliest opportunity if a budget is, or projected to be, overspent or if the 3 year position forecasts a deficit.
- 2.6.1.5. Making decisions on expenditure within the delegated powers set out in the Scheme of Financial Delegation (Appendix 1) and the Scheme of Delegation (SoD).
- 2.6.1.6. Recommend adjustments to the budget to the CFO for authorisation.
- 2.6.1.7. Ensuring the Register of Business Interests is kept up to date.
- 2.6.1.8. Ensuring that funding from all sources is used only in accordance with any conditions attached.
- 2.6.1.9. Receiving and commenting on the content of any audit report and monitoring the implementation of the agreed action plan.
- 2.6.1.10. Determining and agreeing appropriate charges for lettings of the premises, in line with the lettings policy.
- 2.6.1.11. Ensuring the Academy/academies adhere to the policies and procedures as specified by The Board.
- 2.6.1.12. Ensuring the Academy/academies have appropriate financial controls in place.
- 2.6.1.13. Reviewing and monitoring budget projections / medium term financial plans to ensure the budget(s) is/are realistic and any financial decisions are realistic.

2.7. Executive Headteacher (EHT)/Headteacher (HT)

- 2.7.1. The LB/LGB confirms that the day-to-day financial management of the Academy is delegated to the EHT/HT, subject to exceptions contained in these regulations.
- 2.7.2. The EHT/HT, in consultation with the LB/LGB, may wish to permanently delegate certain financial matters or activities. The level of any such delegation shall be notified in writing to the individual(s) concerned and recorded in the minutes of the next available LB/LGB meeting.
- 2.7.3. The EHT/HT can delegate responsibility but remains accountable for financial matters.

2.8. Trust Finance Manager (TFM)

- 2.8.1. The Trust Finance Manager (TFM), in conjunction with the CFO, has responsibility for the day to day management of Trust central financial operations as determined by these regulations and the appropriate job description.
- 2.8.2. The Trust should employ a suitably experienced TFM to support the CFO and Finance & Audit Committee to manage and protect central resources appropriately and monitor academy financial operations.
- 2.8.3. The TFM will work with the CFO, EHT/HT's and AFLs to ensure the trust and academies financial processes and policies are followed.
- 2.8.4. The TFM will be responsible for the effective use of resources within the central operations team and will notify the CFO of any issues. It is the responsibility of the CFO to notify the CEO/Finance & Audit Committee at the earliest opportunity.
- 2.8.5. The TFM has Trust Approver (TA) [also Secondary Approver] in addition to 'over budget' responsibilities as detailed within these regulations.

2.9. Academy Finance Lead (AFL)

- 2.9.1. For the purpose of this document the term Academy Finance Lead (AFL) refers to the person responsible for the day-to-day management of the academy's financial operations.
- 2.9.2. The Academy should employ a suitably experienced AFL to support the EHT/HT and LB/LGB to manage and protect resources appropriately or alternatively make use of support services as recommended by the Vine Trust.
- 2.9.3. The AFL will work with the EHT/HT and Senior Leadership Team (SLT) to ensure the academy's financial processes and finance policies are followed.
- 2.9.4. The AFL will be responsible for the effective use of resources within their organisation and will notify the EHT/HT and LB/LGB of any issues. It is the responsibility of the LB/LG to notify the CEO/CFO/The Board at the earliest opportunity.

2.10. Other Staff

- 2.10.1. Vine Trust Designated Director (VTDD)
- 2.10.1.1. The VTDD is also the Finance Director unless otherwise determined by the Finance and Audit Committee
- 2.10.1.2. The VTDD has day to day financial and operational responsibilities as set out in these regulations.
- 2.10.1.3. The VTDD is also an 'over budget approver', with delegated powers set out in the Scheme(s) of Financial Delegation within Appendices 15.1.
- 2.10.1.4. The nomination of a VTDD, other than the Finance Director, must be recorded in the minutes of the Finance and Audit Committee meeting at which it was approved.
- 2.10.2. Vine Trust Mandated Director (VTMD)
- 2.10.2.1. The VTMD is also the Finance Director unless otherwise determined by the Finance and Audit Committee.
- 2.10.2.2. The VTMD has specific responsibility for the authorisation of payments by the Trust and its academies, as set out in the Scheme(s) of Financial Delegation Appendices 15.1,
- 2.10.2.3. The VTMD is a bank signatory on all bank accounts.
- 2.10.2.4. The nomination of a VTDM, other than the Finance Director, must be recorded in the minutes of the Finance and Audit Committee meeting at which it was approved.
- 2.10.3. Trust Approver (TA) -
- 2.10.3.1. A Trust Approver (TA) which may also be referred to as Secondary Authoriser in these regulations, refers to a Committee or individual(s) with delegated responsibility for financial or 'over budget' approval, in cases where local discretion is exceeded and are detailed in the Scheme(s) of Financial Delegation, these include but may not be limited to:
- The Board
 - Finance & Audit Committee
 - Finance Director (VTDD/VTMD)
 - Chief Financial Officer (CFO)
 - Trust Finance Manager (TFM)
 - Trust Finance Officer (TFO)

2.11. General Requirement

- 2.11.1. 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 Vine Trust.
- 2.11.2. All staff with financial management responsibilities should have access to the information and training required to perform their financial duties.

2.12. Register of Interests

- 2.12.1. 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, 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.
- 2.12.2. A register of interests will be compiled and maintained by the AFL (academy) /TFM (central operations and directors) and is open to public inspection.
- 2.12.3. The Academy/trust **must** post the register of business interests on its website in accordance with the Academies Financial Handbook (AFH).
- 2.12.4. The register should include all business interests such as directorships 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.
- 2.12.5. The existence of a register of business interests does not, of course, detract from the duties of directors, local governors and staff to declare interests whenever they are relevant to matters being discussed by the Local Governing Body/Local Board or a Committee.

- 2.12.6. Where an interest has been declared, Directors, Local Governors or staff should withdraw from that part of any committee or other meeting.
- 2.12.7. All directors, 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/Local Board meeting.

2.13. Trading with Connected Parties

- 2.13.1. In accordance with the Academies Financial Handbook the following will apply to goods or services provided by individuals or organisations connected to the Academy Trust:
 - 2.13.1.1. The Vine Trust **must** pay no more than 'cost' for goods or services provided by a connected party as defined by the Academies Financial Handbook.
 - 2.13.1.2. 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.
 - 2.13.1.3. The 'at cost' requirement applies to any transaction of goods or services exceeding £2,500 cumulatively in any one financial year.

3. Day to Day Delegation of Authority

3.1. Expenditure Limits

- 3.1.1. The School Approver (SA) i.e. Executive Headteacher / Headteacher can authorise expenditure, within the appropriate Scheme of Financial Delegation (SoFD) included within these regulations, on goods and services.
- 3.1.2. **Avoidance of obtaining authority by raising a sequence of smaller orders in place of one large order is not permitted.**
- 3.1.3. If the value to be authorised exceeds the SA limit for goods and services then a higher level of approval is required i.e. Vine Trust 'Designated' Director (VTDD), as set out in the appropriate SoFD included within these regulations.
- 3.1.4. The Vine Trust Designated Director (VTDD) will be the Finance Director (FD) unless otherwise specified by the Finance & Audit Committee.
- 3.1.5. Authorisation for expenditure above the Official Journal of the European Union (OJEU) limit **must** be referred to the Finance & Audit Committee.

3.2. Funding Reconciliation

- 3.2.1. The AFL is responsible for reconciling academy funding entered on the financial accounting system by the Vine Trust, with the monthly funding information provided by the ESFA and the Vine Trust. This reconciliation should be completed promptly.
- 3.2.2. The AFL is responsible for ensuring funding from other government agencies and the Local Authority reconciles with budget projections promptly. Non-receipt or differences should be investigated immediately and brought to the attention of the Executive Headteacher/Headteacher and the Vine Trust via monitoring@vineschoolstrust.org
- 3.2.3. The CFO, supported by the TFM, should undertake a consolidated reconciliation of ESFA funding on a monthly basis and for this to be reviewed by the Accounting Officer regularly.

3.3. Bad Debts

- 3.3.1. The write-off of debts owed to the Academy can be approved by the School Approver (SA) up to the limit delegated within the appropriate SoFD, included within these regulations.
- 3.3.2. Authority to write-off debts above this value **must** be referred to the Vine Trust 'Designated' Director.
- 3.3.3. A sequence of smaller write-offs, all within the above limits to cover a larger write-off, is **not** permitted.

- 3.3.4. All write-offs **must** be notified to the Trust Support Manager (TSM), via monitoring@vineschoolstrust.org, to ensure their collective values do not exceed limits defined within the Academies Financial Handbook, whereby ESFA approval would be required.
- 3.3.5. The CFO will be responsible for notifying the Finance & Audit Committee of all bad debts written off exceeding £500, these would then be recorded in the minutes of the meeting.

3.4. Disposal of Assets or Adjustments to Academy Inventory

- 3.4.1. The School Approver (SA) can authorise the disposal / adjustment of recorded academy inventory or fixed asset items up to the value delegated in the appropriate SoFD, included within these regulations.
- 3.4.2. Authority for disposals / adjustments above this amount must be referred to the Vine Trust 'Designated' Director with reference to the Academies Financial Handbook in order to determine whether ESFA approval is required.
- 3.4.3. The Vine 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.
- 3.4.4. All disposals or adjustments to the fixed asset register **must** be notified to the Trust Support Manager (TSM) via monitoring@vineschoolstrust.org who will arrange for the financial accounting system to be updated.
- 3.4.5. All disposals / adjustments **must** be formally recorded in the minutes of the meeting at which they were reported and discussed.

3.5. Mileage Allowances and Subsistence Claims

- 3.5.1. 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 claimant must have suitable insurance in place to cover both the vehicle and passengers.
- 3.5.2. The claimant must submit mileage and expenses claims on the form included within these regulations, i.e. Appendix 15.2.
- 3.5.3. 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.
- 3.5.4. All expense claims are to be authorised by the School Approver (SA).
- 3.5.5. Expenses claims relating to the SA **must** be authorised by the Local Governing Body/Local Board or the Vine Trust 'Designated' Director.
- 3.5.6. Expenses claims relating to a Trust Approver (TA), the CEO or the CFO **must** be authorised by the Vine Trust 'Designated' Director.
- 3.5.7. 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.
- 3.5.8. Rates of subsistence will be paid at the rate and within the conditions that adhere to the Vine Trust policy on travel and subsistence allowances;
 - 3.5.8.1. Breakfast £ 5.00
 - 3.5.8.2. Lunch £10.00
 - 3.5.8.3. Evening Meal £20.00
- 3.5.9. Claims for the purchase of alcohol will not be reimbursed.
- 3.5.10. VAT may not be reclaimed without a proper VAT receipt.

3.6. Receiving of Goods / Acknowledgement of Service

- 3.6.1. 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.
- 3.6.2. The person receiving and checking goods/services will be responsible for ensuring the signed delivery note (goods received note) is passed to the AFL, or person with specific delegated responsibility, who will record the details on the financial accounting system or investigate discrepancies etc. as appropriate.

3.7. Devolved Formula Capital Grant (DFCG)

- 3.7.1. Expenditure of Capital Grants require approval by the Diocese. Up to the value of £50,000 can be authorised by the Diocesan Schools' Officer. Values over £50,000 **must** be approved by the Diocesan Board of Education.

3.8. Staff Appointments / Terminations

- 3.8.1. The Board have approved a personnel establishment for academies within the Trust. Changes can only be made to an establishment with the express approval of The Board 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 CEO will be responsible for coordinating any changes to establishment levels across the Vine Trust. Full details are set out in the Scheme of Delegation for each Academy.
- 3.8.2. The approval required for the appointment of staff or changes to contract is as follows:
 - 3.8.2.1. Chief Executive Officer (CEO)/Chief Financial Officer (CFO) – The Board
 - 3.8.2.2. Executive Headteacher (EHT)/ Headteacher (HT) – The Board
 - 3.8.2.3. All other staff appointments and contract changes are set out in the Scheme of Delegation subject to the agreed establishment and budget constraints and in accordance with the Trusts Recruitment Policy.
- 3.8.3. The Vine Trust, in association with its HR and Legal Services provider, circulates a 'contracts file' annually, providing all relevant forms and paperwork with regard to the appointment of, or amendment to contracts of staff, which **must** be used by all academies.
- 3.8.4. For academies the AFL (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.
- 3.8.5. For Vine Trust Central staff the TFM (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.
- 3.8.6. The EHT/HT is responsible for ensuring all pre-employment checks are complete and satisfactory before a new employee starts their employment.
- 3.8.7. The AFL/TFO is responsible for the Academy/Trust 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 DfE. The Trust Support Manager will be responsible for regularly monitoring the SCR's and circulate a template which has been approved by the Trust, which may be updated from time to time.
- 3.8.8. Guidance for payment of severance and compensation payments is set out in Academies Financial Handbook under section 3.7. The CEO 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 ESFA.
- 3.8.9. Ex Gratia payments **must** be reviewed by the CEO and always referred to the ESFA for prior authorisation.

3.9. Additional Hours, Salary Advances and Absences

3.9.1. Additional hours

- 3.9.1.1. Should only be undertaken with prior approval and **must** be authorised by the EHT/HT, up to the level agreed within the approved annual budget. Beyond this limit, authorisation should be treated as an 'over budget order' and procedures detailed in section 11.1.5 followed.
- 3.9.1.2. Will be recorded, by the employee, in the format determined from time to time by the Vine Trust / Academy and submitted to the AFL for authorisation by the School Approver (SA).
- 3.9.1.3. Claims **must** not be submitted prior to work having been undertaken.

3.9.2. Salary Advances

- 3.9.2.1. The Vine Trust does not award salary advances.

3.9.3. Absences

- 3.9.3.1. All absence **must** be supported by a Leave of Absence Request Form, 'self-declaration' or recognised medical certificate.
- 3.9.3.2. The EHT/HT is responsible for determining whether leave of absence should be paid or unpaid, in accordance with the Vine Trust Absence Management Policy, instructing the AFL appropriately.
- 3.9.3.3. The AFL (or person with specifically delegated responsibility) should, once authorised, record the absence on the Payroll System and make salary adjustments as appropriate.

3.10. Monitoring Salary Payments

- 3.10.1. It is the responsibility of the AFL (Academy) / TFM (Vine) to ensure that systems are in place to record all staff contract details and that they are regularly updated to take account of new appointments, amendments and terminations of employment. This will ensure that all information on the financial accounting system is correct and will avoid distortion of financial information.
- 3.10.2. Any updated payroll transaction relating to an EHT/HT **must** be authorised by the Accounting Officer (CEO) and in accordance with the Vine Trust Pay Policy.

3.11. Supply Staff

- 3.11.1. All supply staff will be appointed by the School Approver (SA) or as otherwise directed by the SA. 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 AFL to ensure that this is done.
- 3.11.2. 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 SA prior to the work being undertaken. If a dispute arises over hours claimed, the SA will be informed immediately.

3.12. Contract Approval

- 3.12.1. Any contractual commitment with a term exceeding 12 months, including lease agreements, **must** be approved by the Vine Trust 'Designated' Director or the Finance & Audit Committee in accordance with the appropriate SoFD.
- 3.12.2. 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.
- 3.12.3. No other lease, such as finance leases or hire purchase may be entered into by the Academy as this is a form of borrowing.

3.13. Insurance

- 3.13.1. The Vine Trust determine the insurance arrangements for the Vine Trust and its academies.
- 3.13.2. Cover will include, but is not limited to:

- 3.13.2.1. Public Liability
 - 3.13.2.2. Buildings and Contents
 - 3.13.2.3. Terrorism
 - 3.13.2.4. Business Interruption
 - 3.13.2.5. Employer Liability
 - 3.13.2.6. Hirers Liability
 - 3.13.2.7. Governors Liability
 - 3.13.2.8. School Journey
 - 3.13.2.9. Personal Accident
 - 3.13.2.10. Motor
 - 3.13.2.11. Engineering
- 3.13.3. Optional cover for overseas trips, minibus etc. will be procured through the Vine Trust preferred provider, co-ordinated by the Trust Support Manager (TSM), via support@vineschoolstrust.org
- 3.13.4. Staff absence insurance, including maternity, if required will be arranged at local Academy level.
- 3.13.5. Business continuity plans should be established in each Academy by the SA and AFL and reviewed annually.

4. Internal Control

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

- a) The Academy's accounting records are accurate and complete
- b) The financial procedures in operation minimise the risks of misappropriation of funds and assets
- c) The Vine Trust achieves best value

Details of the requirements for delivering assurance are found in the AFH with additional guidance provided by external auditors.

All financial transactions of the Vine Trust **must** be recorded in accordance with the Vine Trust accounting policies and recorded on the PS Financials accounting system.

The Vine Trust accounting system is hosted by PS Financials and accessible through the Vine Trust Finance Portal <http://remote.dcst.org.uk/> or dedicated desktop links provided to appropriate staff.

4.1. Separation of duties

- 4.1.1. It is the responsibility of the SA (in an academy) and the Trust Approver (TA) (for the Vine Trust) to ensure that key financial duties are properly separated between individuals, as far as practicably possible.
- 4.1.2. Functions that **must** be separated between staff but are not necessarily limited to;
 - 4.1.2.1. The placing of an order and confirming receipt of those goods and services.
 - 4.1.2.2. Receiving/recording of cash and checking/inputting transactions into accounting system.
 - 4.1.2.3. The recording/maintenance of assets/inventory and annual checks.
- 4.1.3. Functions that should be separated between staff include but are not necessarily limited to:
 - 4.1.3.1. The charging and receipt of fees.
 - 4.1.3.2. Custody – the holding of goods and services.
 - 4.1.3.3. Post transaction management checking – reviewing previous transactions to identify errors or intentional manipulation.
- 4.1.4. The combination of Internal controls and automated authorisation procedures embedded within the Vine Trust financial accounting systems are sufficiently robust to allow the AFL to be involved in both purchasing (order) and payment processes.

4.2. Accounting System

4.2.1. System Access

- 4.2.1.1. User access to PS Financials is password restricted.

- 4.2.1.2. Passwords are changed every 90 days (system default routine), with 14 days' notice of expiry provided to users at login.
- 4.2.1.3. Access to components and information within the PS Financial accounting system is restricted. The CFO is responsible for determining access levels/permissions for all users of the accounting system.
- 4.2.1.4. 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 CFO, supported by a request from the School Approver (typically the Executive Headteacher or Headteacher).
- 4.2.1.5. Academy and/or Trust accounting system access requests for an employee of the Vine Trust Central Finance Team **must** be made to the CFO, supported by a request made by the Trust Approver (typically the Trust Finance Manager).
- 4.2.1.6. Accounting system access requests for any individual not employed by the Vine Trust **must** be made to the CFO, this may include but is not limited to directors, auditors and financial support providers.
- 4.2.1.7. The Trust Finance Officer (TFO) is responsible for maintaining/updating access and permission rights on the accounting system subject to approval of the CFO.

4.2.2. Chart of Accounts

- 4.2.2.1. The Vine Trust has a standard chart of accounts which **must** be used by all academies.
- 4.2.2.2. Modifications to the chart of accounts/nominal structure of the accounting system will be determined and undertaken by the CFO.
- 4.2.2.3. A standard Account (Cost Centre) structure is deployed to all academies within the Vine Trust which must be maintained, however, the AFL may if necessary add additional accounts if a local monitoring need is identified.

4.2.3. Back-up procedures

- 4.2.3.1. The service provider responsible for hosting the accounting system ensures that all data is backed up in accordance with the Service Level Agreement (SLA) as agreed with the Vine Trust.
- 4.2.3.2. Routine data restoration is undertaken to validate the integrity of the back-ups as detailed within the third party service providers SLA.
- 4.2.3.3. The AFL (Academies)/Trust Finance Manager (Central Finance Team) **must** ensure 'local' data is backed up on an incremental basis hourly and that information for seven years is retained.
- 4.2.3.4. The AFL should prepare a disaster recovery plan in conjunction with the EHT/HT, in the event of loss of accounting facilities or financial data. This should link in with the regular assessment made by local governors of the major risks to which the academy is exposed and the systems that have been put in place to mitigate those risks

4.2.4. Transaction Processing and Authorisation

- 4.2.4.1. All transactions input to the accounting system **must** be authorised in accordance with the predefined limits specified in the Scheme of Financial Delegation (SoFD) [Appendix 15.1](#) applicable to each Academy and the Vine Trust and processed in accordance with the procedures detailed in this manual.
- 4.2.4.2. The AFL is responsible for ensuring that only regular transactions are posted to the accounting system.
- 4.2.4.3. The AFL is responsible for ensuring that VAT transactions are recorded accurately and that the VAT control accounts reconcile to support the preparation of the Vine Trust VAT returns, undertaken by the TFM.
- 4.2.4.4. 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 SA or TA and a copy of the authorisation retained for audit purposes.

4.2.4.5. Detailed information and guidance about the operation of the PS Financials accounting system can be accessed by;

- Contacting PS Financials Advantage Service Team on 01733 857 051
- Accessing the PSF Customer Support Portal ([PSF Customer Portal](#))
- Accessing the PSF E-Learning Portal ([PSF E-Learning Portal](#))
- Contacting the Vine Trust Central Support Team at support@vineschoolstrust.org
- Contacting the Vine Trust Central Support Team on 01255 863646

4.2.5. Transaction Reports

4.2.5.1. The AFL 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.

4.2.6. Reconciliations

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

4.2.6.2. The Vine Trust distributes a Monthly Accounting Timetable annually with full details of reconciliations and their scheduled completion dates.

4.2.6.3. The reconciliations to be performed on a monthly basis and the balances reviewed are;

- Funding reconciliation
- Bank reconciliation
- Purchase card reconciliation
- Petty Cash reconciliation (only in academies within two months of conversion)
- 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 (Vine Trust Central Finance Team)
- Fixed asset accounts (Vine Trust Central Finance Team)
- VAT control accounts (VAT returns and transactions posted by TFM)
- Any other balance sheet accounts as appropriate

4.2.6.4. The SA **must** sign all reconciliations and a monthly summary as evidence of their review and oversight.

4.2.6.5. All discrepancies are to be investigated immediately and reported to the SA (the bank if appropriate), notwithstanding this any unusual or unreconciled items older than 60 days, **must** be brought to the attention of the Trust Support Manager (TSM) via monitoring@vineschoolstrust.org.

4.3. Internal Control Audits – Responsible Officer

The CFO is responsible for ensuring that internal control audits take place to provide assurance that the internal controls across the Trust are robust.

4.3.1. The CFO will commission an external provider to carry out internal audit (RO) visits for each academy and work with the RO to determine the scope of the reviews.

4.3.2. Established academies will have two RO visits per academic year, one during the spring term and a second during the summer term.

4.3.3. New academies:

4.3.3.1. Sep-Nov - two RO visits will be conducted during the first year, including a 'starter' review

- 4.3.3.2. Dec-May - one RO 'starter' review will be conducted during either the summer term or autumn term.
- 4.3.3.3. Jun-Aug - RO visits will commence during the following academic year.
- 4.3.4. The AFL **must** ensure that RO visits are conducted according to the timetable determined by the external provider.
- 4.3.5. A draft RO visit report will be sent to the AFL 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.
- 4.3.6. The RO will produce a written RAG rated report which will be circulated to the Executive Headteacher/Headteacher, the Chair of Local Governors, the AFL and monitoring@vineschoolstrust.org
- 4.3.7. The AFL is responsible for ensuring that all controls are considered good or reasonable. Controls that are reported to 'need some attention and review' (yellow), 'need some reasonably urgent attention and action' (orange) 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/Local Board and the TSM.
- 4.3.8. The AFL **must** prepare and circulate a monthly Internal Audit Monitoring Report to the Local Governing Body/Local Board and TFM, tracking progress/completion, at the same time as other financial management information.
- 4.3.9. The AFL should use the recognised RO RAG ratings to self-assess progress and completion of actions against reported RO findings.
- 4.3.10. The RO and TSM will revisit previously identified findings to determine compliance/completion, once independently verified the AFL must report this on the Internal Audit Monitoring Report and can then remove the section from future reports after year end.

4.4. Vine Trust Monitoring

- 4.4.1. The Vine Trust Central Team will undertake monthly monitoring of:
 - 4.4.1.1. Academy Trial Balances and control accounts
 - 4.4.1.2. Nominal usage
 - 4.4.1.3. Financial management information produced by academy's
 - 4.4.1.4. Internal Audit findings, monitoring and progress
 - 4.4.1.5. The TSM will determine when updated controls around RO findings requiring 'some attention and review' (yellow) have been met.

4.5. External Auditors

- 4.5.1. 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.
- 4.5.2. 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'.
- 4.5.3. The TSM will communicate specific Management Letter findings to the Chair of Local Governors of an academy and the AFL for inclusion on the monthly Internal Audit Monitoring Report.

5. Financial Planning

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

5.1. The Budget Cycle

- 5.1.1. A detailed schedule for the preparation and submission of academy budget forecasts is documented within the Monthly Accounting Timetable, issued annually by the Vine Trust.
- 5.1.2. Notwithstanding 4.1.1 a summary of Vine Trust requirements is as follows;
- Autumn Term (Sep – Dec)
 - Implementation of an approved 'initial' budget plan and forward forecast.
 - Monitor income and expenditure (continuous – scheduled in the Monthly Accounting Timetable for circulation/submission)
 - Reconciliation and finalisation of previous financial year accounts.
 - Preparation of a revised current year budget plan and forward forecast, where appropriate
 - Spring Term (Jan – Mar)
 - Monitor and Review current year budget plan and forward forecast.
 - Preparation/submission of revised current year budget plan and forward forecast, where appropriate
 - Pre-planning new financial year's budget plan and forward forecast
 - Submission of a provisional budget forecast for the new financial year(scheduled in the Monthly Accounting Timetable).
 - Summer Term (Apr – Aug)
 - Planning for the forthcoming year
 - Submission of a recommended new year's budget plan to The Board (scheduled in the Monthly Accounting Timetable)
 - Preparation of a current year revised budget plan where appropriate

5.2. Budget

All requirements of the ESFA **must** be taken into account 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.

- 5.2.1. The Executive Headteacher/Headteacher and AFL will prepare an annual budget and multiyear forward financial forecast considering a minimum of three years information, in consultation with the Local Governing Body/Local Board, using AcademyBPS budgeting software provided by the Vine Trust.
- 5.2.2. The annual budget **must** be recommended by the Academy Local Governing Body/Local Board prior to submission to the CFO for approval by the Vine Trust Finance & Audit Committee.
- 5.2.3. Whilst it is acceptable to obtain electronic recommendation and approval of budgets outside of a Local Governing Body/Local Board or Committee meeting the action(s) **must** be included in the minutes of the next meeting.
- 5.2.4. 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 School Improvement / Development Plan and the Asset Management Plan.
- 5.2.5. 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 in AcademyBPS for reporting and circulation purposes.
- 5.2.6. Strategies **must** be documented by the Local Governing Body/Local Board to support the submission of a budget forecast if financial pressure is predicted within 3 years.

- 5.2.7. Supporting narrative **must** be documented, with strategies if appropriate, by the Local Governing Body/Local Board and submitted with the budget forecast if 'in-year' deficits are predicted within 3 years.
- 5.2.8. 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.
- 5.2.9. The budgetary planning process will incorporate the following elements:
- 5.2.9.1. 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.
 - 5.2.9.2. Calculation and application of holdback i.e. General and School Improvement.
 - 5.2.9.3. Calculation and application of funding models, as directed by the Vine Trust from time to time.
 - 5.2.9.4. Estimates of other 'ring-fenced' ESFA Funding e.g. Pupil Premium and PE & Sports Grant.
 - 5.2.9.5. 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 Local Governing Body/Local Board and recorded in the minutes of the meeting at which it was discussed and agreed.
 - 5.2.9.6. Review of past performance against budgets to promote an understanding of the academy costs and to reassure stakeholders of the accuracy of financial information.
 - 5.2.9.7. Identification of potential efficiency savings, including contractual and collaborative operational opportunities.
 - 5.2.9.8. Review of the main expenditure headings, to include a detailed assessment of employee contracts
 - 5.2.9.9. Identification of unspent grants from the previous financial year
 - 5.2.9.10. All balances to be brought forward
 - 5.2.9.11. Compliance with the Capital and Revenue Reserves Policy, in respect of both local and central balance requirements
 - 5.2.9.12. Benchmarking data analysis (national and internal)
 - 5.2.9.13. Confirmation of ongoing financial viability over a period over a minimum of 3 years.
- 5.2.10. If an 'in-year' deficit is predicted, 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 are 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 Priority Plan (APP) and Asset Management Plan (AMP).
- 5.2.11. The approved budget should be promptly uploaded onto the Vine Trust accounting system in advance of the new financial year.
- 5.2.12. If there is a significant (over 10%) departure from the anticipated budget this will be escalated to the Finance and Audit Committee as part of the monthly management accounts procedure.
- 5.2.13. A copy of the signed budget plan summary is to be placed in the local minute file and a further copy retained by the AFL.

5.3. Other Government Funding

- 5.3.1. In addition to GAG funding from the ESFA the Vine Trust and its academies may be awarded specific funding for other projects and purposes e.g. Conditions Improvement Funds, Pupil Premium, PE & Sports Grant, Additional Special Educational Needs funding etc. This funding may be received directly from the DfE, ESFA or Local Authority.
- 5.3.2. All Government funding must be spent in accordance with the terms and conditions imposed, accurately recorded as restricted income and audited externally annually.

- 5.3.3. The AFL is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts

5.4. Other Grants and Specific Funding

- 5.4.1. In addition to GAG funding from the ESFA and Government Funding (detailed in section 4.3) the Academy/Vine 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 and Audit Committee.
- 5.4.2. 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.
- 5.4.3. The AFL is responsible for recording income and expenditure for each grant, providing a reconciliation within the monthly management accounts.

5.5. Virements

- 5.5.1. The Vine Trust does not recognise virements, any budgetary adjustments identified must be included into and submitted in a revised budget and forward forecast to the CFO.

5.6. Revised Budgets

- 5.6.1. 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, circulated to Academy Local Governing Body/Local Board and monitoring@vineschoolstrust.org, urgent budget issues will be reported to the Local Governing Body/Local Board and monitoring@vineschoolstrust.org immediately.
- 5.6.2. Where tangible variations to the agreed budget are identified 'in-year', particularly around staffing, then a revised budget forecast should be prepared and recommended by the Local Governing Body/Local Board following precepts detailed in section 5.2. excepting section 5.2.2
- 5.6.3. Notwithstanding 5.6.2 Academies should expect to prepare termly revisions to the budget plan, focusing on current and future year projections.
- 5.6.4. Interim budget revisions **must** be recommended by the Academy Local Governing Body/Local Board prior to submission to the CFO for approval.
- 5.6.5. A revised budget should form the basis of analysis of all income and expenditure until the financial year end or unless replaced by a further revision.

5.7. Monitoring and review

- 5.7.1. The Vine Trust will publish a Monthly Accounting Timetable, detailing a list of reports required by each Academy in the Vine Trust, including their frequency and a timetable for completion and circulation, this will include but is not limited to:
- 5.7.1.1. Income and Expenditure report – identifying budget variances and requiring a projection of income and expenditure to the year-end, with supporting narrative.
 - 5.7.1.2. Trading Account report(s)
 - 5.7.1.3. Cashflow report
 - 5.7.1.4. Internal Audit Monitoring Report
 - 5.7.1.5. Risk Management Monitoring Report
- 5.7.2. The AFL is responsible for producing and reviewing management reports with the School Approver (SA), in line with the Vine Trust Accounting Timetable, which **must** be circulated to Local Governors and the Vine Trust, via monitoring@vineschoolstrust.org each month.
- 5.7.3. The AFL 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.

6. External Audit Arrangements

- 6.1. It is a legal requirement for the Vine Trust to prepare audited, consolidated accounts in accordance with the AFH.
- 6.2. The Vine Members will appoint statutory auditors to audit the accounts, confirming they are 'true and fair', at their Annual General Meeting AGM.
- 6.3. The CFO, supported by the TFM, 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.
- 6.4. The CFO, Executive Headteacher/Headteacher and AFL may need to be available to support statutory auditors in conducting their work.

7. Returns

7.1. Annual Accounts

- 7.1.1. 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 at:

http://www.charitycommission.gov.uk/Charity_requirements_guidance/Accounting_and_reporting/Preparing_charity_accounts/

- 7.1.2. The Board is responsible for approving the Trusts annual accounts and annual report and ensuring the annual accounts are audited and submitted to the ESFA by the required deadlines. Details of all financial information required are as set out in the latest Accounts Direction for the year being reported.
- 7.1.3. In addition to submitting accounts to the ESFA, 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.
- 7.1.4. The ESFA require the Vine Trust to publish its Annual Accounts and Annual Report by 31st January. This will be done via the Vine Trusts website, additionally, access to this information must be readily available from individual academy websites.

7.2. ESFA Financial Returns

- 7.2.1. The CFO will be responsible for preparing all financial returns required by the ESFA. All returns will be completed within the required timescale in accordance with guidance published by the DfE and ESFA. These returns include but are not limited to;
 - 7.2.1.1. Budget Forecast Return – Outturn Report
 - 7.2.1.2. Budget Forecast Return
 - 7.2.1.3. Annual Accounts Return
- 7.2.2. The CFO and TFM will produce a monthly accounting timetable detailing, wherever possible, a schedule of requirements for all academies to prepare and submit information to the CFO for inclusion into ESFA returns. All information will be completed within the required timescale.
- 7.2.3. Notwithstanding 7.2.2. additional information may from time to time be requested outside of the published timetable.

7.3. Financial Management and Governance Self-Assessment (FMGS)

- 7.3.1. The ESFA publish a list of questions for new academies and Trusts to help ensure compliance with the requirements of the AFH shortly after opening is achieved [FMGS - list of questions](#)
- 7.3.2. An alternative Assurance declaration of FMGS **must** be made by the AO, prepared and submitted by the CFO, within 4 months of an academy joining the Vine Trust.
- 7.3.3. The SA, AFL and Chair of Local Governors **must** familiarise themselves with the FMGS questions, any questions arising should in the first instance be directed to the CFO.

8. Document Retention

- 8.1. All documents, whether electronic and/or paper based, are retained for the following amount of time:
 - 8.1.1. Financial records including budget information – current year plus 6 preceding years
 - 8.1.2. Supply cover insurance – current year plus 6 preceding years
 - 8.1.3. Payroll and travel records – current year plus 6 preceding years
 - 8.1.4. Personnel records – 5 years after an employee has left
 - 8.1.5. Capital Project documentation – plans and drawings must be retained indefinitely

9. Assets and Inventory

9.1. Fixed Assets

- 9.1.1. All items which have a useful life and value lasting more than one year and which are above the de Minimis level set in the Vine Trust Accounting Policy (currently £2,000) are recorded on a fixed asset register and capitalised in the financial accounting system.
- 9.1.2. 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 the TSM for clarification.
- 9.1.3. The fixed asset register should include the following information:
 - 9.1.3.1. Asset description
 - 9.1.3.2. Asset reference number
 - 9.1.3.3. Serial number
 - 9.1.3.4. Date of acquisition
 - 9.1.3.5. Asset cost (excluding VAT)
 - 9.1.3.6. Source of funding
 - 9.1.3.7. Expected useful economic life
 - 9.1.3.8. Depreciation
 - 9.1.3.9. Current book value
 - 9.1.3.10. Location
 - 9.1.3.11. Supplier
 - 9.1.3.12. Warranty information
- 9.1.4. Capitalisation of assets in the financial accounting system and subsequent depreciation will be carried out by the TSM. The AFL will provide the TSM with fixed asset information during the month of the asset purchase to enable a record to be set up on the financial accounting system.
- 9.1.5. The AFL will attach 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 within 30 days of it being recorded.
- 9.1.6. On academy conversion the AFL 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 Vine Trust Accounting Policy de Minimis criteria (i.e. currently £2,000) and prepare a list of qualifying assets on conversion. Assets on conversion, including supporting

documentation (where available) should be forwarded to the TSM and are to be recorded on the financial accounting system within 2 months of conversion.

- 9.1.7. All items recorded on the Fixed Asset Register will be checked annually by the AFL, during the summer term. Evidence of the annual check taking place will be by date and signature of the AFL 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 monitoring@vineschoolstrust.org clearly identified as 'Fixed Asset annual review' no later than 31 August each academic year.
- 9.1.8. The condition of items should be recorded as part of the annual review, however, disposals should be reported to the TSM during the month of the disposal.
- 9.1.9. Replacement of aging fixed assets should be considered as part of the budget setting process in conjunction with additional guidance provided in the Capital and Revenue Reserves Policy.
- 9.1.10. Examples of items to be included on the asset register include;
 - 9.1.10.1. ICT hardware and software (these can be combined with professional services configuration costs and warranty costs)
 - 9.1.10.2. Office Equipment including telephone systems
 - 9.1.10.3. Catering equipment
 - 9.1.10.4. Furniture
 - 9.1.10.5. Audio visual equipment
 - 9.1.10.6. Premises equipment including generators and lawn mowers
 - 9.1.10.7. Other equipment including PE equipment, musical equipment
 - 9.1.10.8. Mini buses

9.2. Inventory

- 9.2.1. Each academy in the Vine Trust will keep an inventory to
 - 9.2.1.1. Ensure proper physical control of academy equipment
 - 9.2.1.2. Provide a basis for insurance cover and claims if equipment is damaged or destroyed
 - 9.2.1.3. Provide an up to date record of equipment available for teaching purposes.
 - 9.2.1.4. Help the academy plan its equipment replacement programme
- 9.2.2. The following categories of inventory will be entered in the inventory register at the time of acquisition by the academy;
 - 9.2.2.1. All items valued at £500 or more at the time of acquisition or purchase, either individually or as a set.
 - 9.2.2.2. Items below the value noted in 9.2.2.1 above but which are considered attractive and portable.
 - 9.2.2.3. Items considered by the Executive Headteacher / Headteacher as being worthy of inclusion.
 - 9.2.2.4. Items hired to or leased by the academy, that match any of the above criteria will be included, but identified accordingly.
- 9.2.3. The inventory register will record the following information;
 - 9.2.3.1. Item description
 - 9.2.3.2. Asset reference number (if owned by academy)
 - 9.2.3.3. Serial number
 - 9.2.3.4. Date of acquisition
 - 9.2.3.5. Acquisition cost (excluding VAT)
 - 9.2.3.6. Location
 - 9.2.3.7. Details of security markings
 - 9.2.3.8. Date of last physical check.
- 9.2.4. The AFL is responsible for maintaining the inventory register.
- 9.2.5. All inventory items recorded in the register will be checked annually by an employee other than the AFL and certified as correct.

- 9.2.5.1. Any adjustments arising from the physical check must be applied to the inventory register by the AFL immediately.
- 9.2.5.2. 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.
- 9.2.5.3. 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.
- 9.2.6. 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.
- 9.2.7. 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.

9.3. Security

- 9.3.1. 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.
- 9.3.2. All portable items in the fixed asset and inventory registers **must** be marked with the name and postcode of the academy.
- 9.3.3. If the academy chooses to use an invisible form of marking then the item of equipment must carry a reference to the fact that the equipment has been security marked.
- 9.3.4. Items not security marked may not be covered by insurance.
- 9.3.5. Equipment must, where possible, be stored securely when not in use.
- 9.3.6. 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 monitoring@vineschoolstrust.org

10. Banking Arrangements / Cash Management

10.1. Banking

10.1.1. Bank Accounts

- 10.1.1.1. All decisions regarding the choice of banking service provider and subsequent banking arrangements will be made by The Board.
- 10.1.1.2. The Trust Finance Officer (TFO), as banking facilities administrator, will organise the opening of new bank accounts for schools converting into the Vine Trust, including the issue of purchase cards, BACS and online banking services.
- 10.1.1.3. Academy mandated bank account signatories **must** be;
 - Vine Trust Mandated Director (Trust Director signatory)
 - Chief Financial Officer (Trust signatory)
 - School Approver - Executive Headteacher / Headteacher (local signatory)
 - Trust Finance Manager (Trust signatory)
 - Trust Finance Officer (Trust signatory)
 - Academy Finance Lead (local signatory)
 - Other local signatories as identified by the School Approver (SA)
- 10.1.1.4. An up to date list of mandated bank signatories, consistent with 10.1.1.3, will be maintained at each academy and at the Vine Trust. In the event of key personnel changes signatories **must** be changed immediately and both the bank and the TFO notified.

- 10.1.1.5. Initial and updates to mandated bank signatories must be recorded in the minutes of the next Local Governing Body/Local Board meeting.
- 10.1.1.6. The Local Governing Body/Local Board **must** ensure that academy bank accounts never become overdrawn. Any concerns regarding cash flow should be reported to the CFO.

10.1.2. Deposits

- 10.1.2.1. 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.
- 10.1.2.2. All deposits of cheques or cash **must** be checked by the AFL 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.
- 10.1.2.3. The AFL is responsible for ensuring that the financial accounting system is updated within 2 working days of a deposit being made.

10.1.3. Payment Methods

- 10.1.3.1. The Vine Trust encourages the use of BACS/Electronic Transfers for payments in all but exceptional circumstances.
- 10.1.3.2. Two mandated bank signatories are required in all instances to confirm payments made by an academy or the Vine Trust, including intra-company transfers.
- 10.1.3.3. The principles and authorisation procedures remain the same for cheques, BACS and other electronic payment methods and are detailed for each academy and the Vine Trust in the relevant SoFD contained within this policy.
- 10.1.3.4. Direct Debit instructions require two signatories one of which **must** be a Mandated Director in all cases. Additionally, details of any signed Direct Debit instruction **must** be retained on file for reference and included in the minutes of the next Local Governing Body/Local Board meeting.
- 10.1.3.5. Standing Order arrangements at an academy or the Vine Trust must be authorised in accordance with the relevant SoFD contained within this policy
- 10.1.3.6. These provisions apply to all accounts, public or private, operated by or on behalf of any constituent member of the Vine Trust.
- 10.1.3.7. The AFL is responsible for ensuring that the financial accounting system is updated within 2 working days of a payment being made.

10.1.4. Administration

- 10.1.4.1. The AFL (academy)/TFM (Trust) 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.
- 10.1.4.2. Reconciliation must be subject to an independent monthly review carried out by the SA (academy) or CFO (Trust), presented in a summary format with supporting documentation attached. Both preparer and reviewer must date and sign reconciliation documentation.
- 10.1.4.3. Adjustments arising are to be dealt with promptly.

10.2. Petty Cash

- 10.2.1. Petty cash is not available to academies within the Vine Trust.
- 10.2.2. An academy **must** withdraw historical petty cash facilities within 2 months of conversion, during the transitional period (if applicable);
 - 10.2.2.1. The amount to be held (imprest) for petty cash disbursements **must** not exceed £200.

- 10.2.2.2. Expenditure paid through petty cash should not exceed £25 on any one item and not exceed £40 in any one week to one individual.
- 10.2.2.3. Petty cash **must** not be used to cash personal cheques or pay staff loans.
- 10.2.2.4. All purchases made through petty cash, regardless of size, **must** be pre-authorised by the School Approver (SA). Purchases made by the SA must be pre-authorised by the Chair of the Local Governing Body/Local Board.
- 10.2.2.5. All payments made must be supported by a VAT receipt for good purchased, along with an appropriate voucher signed by the member of staff receiving the cash. In order for the VAT to be recovered VAT receipts need to be scanned and attached to the journal entry to support the completion of the central VAT return (in the absence of a scanned VAT receipt the expenditure needs to be coded as out of scope for VAT purposes).
- 10.2.2.6. The petty cash float can only be maintained/reimbursed from the academy's main bank account.
- 10.2.2.7. All petty cash will be kept in a locked box in the school safe and the AFL will be responsible for its security.
- 10.2.2.8. The AFL will be responsible for the prompt entry of transactions onto the financial accounting system.
- 10.2.2.9. The AFL will be responsible for the monthly reconciliation of petty cash. The reconciliation is then reviewed by the SA who will sign and date the reconciliation as evidence of review.

10.3. Purchase Cards

- 10.3.1. The issue of purchase cards to key staff members is at the discretion of the Vine Trust, co-ordinated by the TFO.
- 10.3.2. The SoFD reflects the combined purchase card limit available to an academy across all cards issued. The SA will determine the cards required and the limits to be applied, the AFL will maintain a list to this effect.
- 10.3.3. Purchase cards;
 - 10.3.3.1. Are issued in the academy's name, typically to the SA, AFL and Site Manager.
 - 10.3.3.2. Are subject to the Vine Trust purchasing procedures and in all but the most exceptional circumstances (i.e. emergency repair up to a maximum of £500) a pre-authorised purchase order **must** be obtained prior to a purchase card commitment/transaction being made.
 - 10.3.3.3. **Must** not be used for personal use.
 - 10.3.3.4. Should be stored in the school safe when not in use.
 - 10.3.3.5. 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).
 - 10.3.3.6. **Must** only be used on secure websites that the SA/AFL has gained reassurance are safe and free from fraudulent activity. **Bidding on online auction websites is not permitted.**
- 10.3.4. Purchase card statements **must** be reconciled monthly by the AFL 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.
- 10.3.5. Monthly statements are to be authorised by the Chair of the Local Governing Body/Local Board.
- 10.3.6. Misuse of purchase cards by individuals must be reported to the SA/Chair of the Local Governing Body/Local Board and the CFO.
- 10.3.7. 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 Vine Trust and/or external auditors.

10.4. BACS Procedures and Controls

- 10.4.1. On the initial set up of a supplier record in the financial accounting system, the AFL/TFO will request written confirmation from the company of their bank and VAT registration details on their company headed paper, requesting this be signed by 2 authorised representatives for the company.

- 10.4.2. On receipt of bank details (initial or subsequent changes thereto) the AFL/TFO will obtain independent verification, by way of e-mail or telephone call, using contact details not directly provided by the supplier and will write on/sign the letter of authority that this has been received, before bank details are changed and/or a payment is made.
- 10.4.3. The AFL/TFO will scan and attach both the authorisation request and validation evidence to the supplier record typically within 5 working days of any change being made, retaining the original documents for audit purposes.
- 10.4.4. The TSM is responsible for ensuring that all bank account changes applied to the financial accounting system are checked weekly for accuracy and that appropriate verification has been obtained and uploaded. Signed evidence of the checks are to be retained for audit purposes.
- 10.4.5. All BACS payments on the financial accounting system, together with supporting 'authorised' invoices, **must** be signed individually by 2 mandated bank signatories, in accordance with these financial regulations and the relevant SoFD, to confirm authorisation for payment.
- 10.4.6. 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.
- 10.4.7. Once BACS payments have been authorised and processed, remittance advices will be sent to each supplier. It is recommended that the advices are sent electronically, directly from the financial accounting system where an appropriate audit trail is maintained.

10.5. Investments

- 10.5.1. 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 AFH and guidelines set out in the Vine Trust Investment Management Policy. All additional accounts and/or investments must be co-ordinated by the TFO and approved by the CFO.

11. Purchasing and Payment Procedures

The Vine Trust **must** achieve Value for Money (VfM) 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 Vine Trust and within its academies.
- **Accountability** - The Vine Trust and its academies are publicly accountable for their expenditure and the conduct of their affairs.
- **Fairness** - All those involved with the Vine Trust and its academies are dealt with on a fair and equitable basis.

11.1. Routine Purchasing

- 11.1.1. Budget holders will be responsible for requesting the purchase of items or services from their own budgets and in accordance with their delegated limits.
- 11.1.2. **Purchase requests** will be made by;
 - 11.1.2.1. A direct online requisition/order request via the 'My Portal' module of the financial accounting system or,
 - 11.1.2.2. Completion of an internal Order Form (appendix 15.3) submitted to the AFL or person with delegated order processing/procurement responsibilities.
- 11.1.3. On receipt of a purchase request the AFL (academy) / TFM (Vine central operations) will be responsible for;

- 11.1.3.1. Confirming the nominal/account (cost centre) allocation details for each order line are coded correctly.
 - 11.1.3.2. Ensuring Value for Money is obtained in all circumstances.
 - 11.1.3.3. Ensuring that where multiple competitive quotations are required according to the SoFD, documentary evidence of the various quotations obtained **must** be attached to the purchase request.
 - 11.1.3.4. Ensuring that where a quotation other than the lowest is recommended, authorisation **must** be obtained from the CFO (with documented rationale) prior to acceptance or proceeding. The CFO will co-ordinate authorisation in accordance with limits set out in the appropriate SoFD.
 - 11.1.3.5. Confirming the supplier/contractor against which the order will be raised.
 - 11.1.3.6. Confirming, where appropriate, 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.
 - 11.1.3.7. Determining that the budget(s) has/have sufficient funds to meet the order.
 - 11.1.3.8. Transferring a purchase request into an unauthorised order on the financial accounting system, typically within 10 working days of receipt.
- 11.1.4. **Orders must** be authorised in accordance with the 'Authorisation Limits' set out in the appropriate SoFD prior to being placed with a supplier/contractor by the AFL or person with delegated processing/procurement responsibility.
- 11.1.4.1. Orders processed through the financial accounting system will be subject to its advanced workflow and result in a fully authorised Purchase Order (POR) being generated which can be sent via Document Emailer to the supplier/contractor.
 - 11.1.4.2. Exceptionally, Purchase Orders may be raised outside of the financial accounting system i.e. verbally/manually, in these cases;
 - Evidence must be retained that demonstrates authorisation limits have been observed.
 - A commitment is promptly raised on the financial accounting system.
 - It is not acceptable to wait until the invoice/delivery note is received before entering a commitment onto the financial accounting system.
- 11.1.5. **'Over Budget' orders must** be referred to the Trust Approver, for assessment, prior to an authorised order being generated or verbally/manually placed, whereby the AFL **must** provide supporting notes detailing;
- 11.1.5.1. The circumstances leading to an authorised budget element being exceeded.
 - 11.1.5.2. Any actions to be taken as a result of a budget element being exceeded i.e. budget update, drawing down contingency etc.
 - 11.1.5.3. The impact of the order on both the 'in-year' and 'future periods' budget forecasts.
 - 11.1.5.4. Whether reserves will be used to meet the order commitment, if so, can the academy continue to meet the requirements of the Reserves Policy and is this recognised by the SLT?
 - 11.1.5.5. 'Over Budget' order requests not supported by appropriate narrative will be rejected.
- 11.1.6. It is recommended that the AFL, or person with delegated responsibility, review all unauthorised orders on a weekly basis to:
- 11.1.6.1. Determine whether a delay in processing can be identified and resolved,
 - 11.1.6.2. 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.
 - 11.1.6.3. Provide evidence that the order process is monitored for accuracy and efficiency.
- 11.1.7. **On delivery;**
- 11.1.7.1. A detailed check of the goods will be undertaken and a record of any discrepancies made.
 - 11.1.7.2. The Good Received Note (GRN)/delivery note/invoice will be signed and dated by the person(s) performing the above check for audit purposes.

- 11.1.7.3. Once signed the contents of the GRN/delivery note will be promptly entered onto the financial accounting system.
- 11.1.7.4. Any discrepancies between the GRN/delivery note(s) will be notified to the supplier/contractor within their terms by the AFL or person with delegated order processing/procurement responsibility.
- 11.1.7.5. Discrepancies or returned items will not be entered onto the financial accounting system as received and the GRN/delivery note will be annotated accordingly.
- 11.1.7.6. It is recommended that the person checking goods received is not the same as the person raising the order.

- 11.1.8. If any goods are rejected or returned to the supplier because they are not as ordered, damaged or of a sub-standard quality the AFL or person with delegated responsibility will ensure the goods details are added to a local/central record of goods returned to suppliers.
- 11.1.9. **All invoices** received, both Purchase Order Invoices (POIN) and Non-order Purchase Invoices (LLPI), will be date stamped, checked against the original order for accuracy (and delivery notes where appropriate) and entered promptly onto the financial accounting system. Particular care should be exercised to ensure VAT is treated correctly and that it is posted into the correct period.
- 11.1.10. Purchase Order Invoices (POIN) received where the value, including unanticipated postage/delivery costs, exceeds the authorised purchase order (PORD) value but is within a tolerance limit determined by the Vine Trust, currently £25.00, are automatically approved for payment.
- 11.1.11. All Non-Order Purchase Invoices and POIN's where the value, including unanticipated postage/delivery costs, exceeds the authorised purchase order (PORD) value **and** exceeds a tolerance limit determined by the Vine Trust, currently £25.00, will be transferred to the 'Hold Database' in the financial accounting system whereby, additional authorisation will be required in accordance with the appropriate SoFD before the invoice is released for payment. The AFL or person with delegated responsibility will;
 - 11.1.11.1. Run a 'Purchase Order / Invoice Discrepancy Report' from the financial accounting system to identify invoices requiring additional authorisation and assign it a unique chronological reference number (UCRN), it is recommended that this process is carried out weekly.
 - 11.1.11.2. Identify the cause of any discrepancies appearing on the report, recording them on both the report and the invoice.
 - 11.1.11.3. Check and confirm that any non-order purchase invoice(s) have not already been paid. Once checked the invoice should be signed to confirm this and endorsed 'Not previously passed for payment'.
 - 11.1.11.4. Determine whether any variances are within or outside of an approved budget and obtain authorisation as appropriate, supporting orders/invoices may be required.
 - 11.1.11.5. The School Approver (Trust Approver if appropriate) must authorise each discrepancy and will be required to sign and date the Purchase Order / Invoice Discrepancy Report as evidence of this for audit purposes.
 - 11.1.11.6. Once authorised invoice(s) can be released from the 'Hold Database' and the report UCRN and date of authorisation clearly written on the invoice(s).
 - 11.1.11.7. Purchase Order / Invoice Discrepancy Reports will be filed chronologically and retained for audit purposes.

11.2. Internet Purchases

- 11.2.1. 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.
- 11.2.2. The AFL (academy)/TFM (Vine central operations), 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.
- 11.2.3. Requests should be made to the AFL/TFM 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 SoFD. Where possible the PORO reference number should be quoted on the internet order as a cross reference.

- 11.2.4. It is the responsibility of the AFL/TFM to ensure the internet is the most appropriate means for procurement.
- 11.2.5. 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 (PORO).
- 11.2.6. 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.
- 11.2.7. Reimbursements to individuals should be made in the normal manner upon production of an original invoice/receipt.
- 11.2.8. Supplier invoices, delivery notes and all relevant documentation should be obtained for all internet purchases and retained for scanning and attachment to the respective entry in the financial accounting system, this is especially important if any element of VAT is to be reclaimed.
- 11.2.9. Internet purchases should only be used on secure websites that the SA/AFL has gained reassurance are safe and free from fraudulent activity. **Bidding on online auction websites is not permitted.**

11.3. Payments and Procedures

- 11.3.1. The AFL (academy) / TFM (Trust) is accountable for the control of cheques/BACS/other electronic payments.
- 11.3.2. Authorisation of any payment(s), in accordance with the appropriate SoFD, **must** be obtained prior to the release of funds.
- 11.3.3. **BACS and Faster Payments:**
 - 11.3.3.1. BACS processing and payments should be system generated
 - 11.3.3.2. Authorisation levels are determined by the appropriate SoFD and **must** be followed in all instances. Splitting BACS/Faster Payments so that payments fall below a local threshold is **not** permitted
 - 11.3.3.3. The input, control and monitoring of bank account details for BACS is covered in section 10.4
 - 11.3.3.4. Where an Academy wishes to process a manual BACS payment or Faster Payment the AFL **must** seek secondary approval from a Trust Approver (TA), submitting all supporting documentation relating to the transaction to the Trust Finance Officer (TFO) via e-mail to support@vineschoolstrust.org clearly identifying 'BACS/Faster Payment FAO TFO' in the subject header.
 - 11.3.3.5. Where the Vine Central Operations Team wishes to process a manual BACS payment or Faster Payment the TFO **must** seek secondary approval from the appropriate Trust Approver in accordance with the SoFD, submitting all supporting documentation relating to the transaction to the Trust Finance Manager (TFM) via e-mail to support@vineschoolstrust.org clearly identifying 'BACS/Faster Payment FAO TFM' in the subject header.
 - 11.3.3.6. Where secondary approval is required for a BACS payment the AFL/TFO should ensure a minimum of 3 additional working days is factored into the payment date to allow for secondary authentication/approval.
 - 11.3.3.7. Where secondary approval is required for a Faster Payment the AFL/TFO **must** contact the TFM/CFO by telephone who will at their discretion determine whether an exception to timescales detailed in section 11.3.3.5 is practical.

11.3.4. **Cheques:**

- 11.3.4.1. Payment by cheque should be exceptional, every effort should be made to obtain BACS details from suppliers and their records entered onto the financial accounting system as detailed in section 10.4.
- 11.3.4.2. Cheque run reports/paylists are to be kept on file and signed by the SA/TA, confirming an unbroken sequence of cheque numbers.
- 11.3.4.3. Spoiled cheques are cancelled on the financial accounting system, defaced and retained on file to confirm that all cheques have been accounted for.
- 11.3.4.4. All blank cheques are securely stored and properly accounted for.
- 11.3.4.5. Blank cheques are not pre-signed.
- 11.3.4.6. Where continuous cheque stationary is used, the approved format is complied with, in accordance with Vine Trust guidance.
- 11.3.4.7. Remaining cheque levels should be kept to a minimum.
- 11.3.4.8. The AFL is responsible for ensuring that all raised cheques are entered correctly on the financial accounting system within 2 working days of a payment being made.

11.3.5. **Internal / Intra-Company Transfers:**

- 11.3.5.1. The Trust Finance Manager (TFM) 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.
- 11.3.5.2. Where a reimbursement between academies within the Trust is required:
 - It is the responsibility of the AFL from the Academy reclaiming funds to prepare a Bank Transfer Authorisation Form (BTAF) and obtain appropriate authorisation from bank signatories at each academy (one of which must be the SA).
 - It is the responsibility of the AFL from the Academy reclaiming funds to support the BTAF with original journal posting details and other supporting documentation, as appropriate or required/requested, to demonstrate that the reimbursement is 'at cost' (care must be exercised when staff cost reimbursements are made to ensure employee confidentiality is maintained).
 - Reimbursement of SA expenses payments using this method **must** be approved by the Local Governing Body/Local Board of the Academy making the payment.
 - Once completed the AFL from the Academy reclaiming funds will, in the first instance, submit the authorised BTAF and all supporting information to support@vineschoolstrust.org for processing, original/hardcopies will be sent to the TFM as soon as practicable for audit purposes.
 - The Monthly Accounting Timetable identifies 'cut-off' dates to assist the AFL if reimbursements are time sensitive.
- 11.3.5.3. The Trust Finance Officer (TFO) will be responsible for processing all bank transfers in relation to internal/intra-company transactions, with Trust Approver authorisation if required, in accordance with the appropriate SoFD.
- 11.3.6. The School Approver/Trust Approver must ensure that all prime financial records are retained in accordance with section 8 and stored in a secure, accessible and logical way.
- 11.3.7. BACS, other electronic payment methods and cheques 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 Vine Trust.
- 11.3.8. If discounts are available for prompt payment, then payments can be made immediately, having taken into account any loss of interest that might arise.
- 11.3.9. A copy of the computer generated remittance advice relating to the payment will be affixed to the original invoice.
- 11.3.10. Original purchase order invoices (POIN) **must** be marked as 'PAID' and clearly marked with the financial accounting system payment reference and journal entry numbers.
- 11.3.11. Once non-order purchase invoices have been authorised, in accordance with section 11.1.11, the original invoice **must** be marked as 'PAID' and clearly marked with the financial accounting system payment reference and journal entry numbers.

- 11.3.12. 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'.
- 11.3.13. Payments **must** not be made against statements or pro-forma invoices under any circumstance.
- 11.3.14. 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:
- 11.3.14.1. Purchase Order (fully authorised)
 - 11.3.14.2. Delivery Note/Good Received Note (signed and validated)
 - 11.3.14.3. Invoice (clearly showing approved for payment)
 - 11.3.14.4. Supporting quotes, warranties and additional information as appropriate.
 - 11.3.14.5. Remittance Advice

11.4. Tendering Procedures

11.4.1. Introduction to tendering

- 11.4.1.1. In accordance with agreed procurement standards, approval of high value purchases, new contracts and capital projects over £50,000 will only be made after following the Vine Trust's tendering procedure.
- 11.4.1.2. The CFO **must** be advised of potential qualifying purchases/contracts/projects in the first instance by the SA/AFL prior to proceeding with the tender process. The Vine Trust Central Operations Team/Diocesan Schools Officer will oversee all tendering processes.
- 11.4.1.3. If the Vine Trust or one of its academies undertakes a high-value or EU-Qualifying 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.
- 11.4.1.4. 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 Diocesan Schools Officer **must** be involved in all qualifying capital project work.

11.4.2. Forms of Tenders

- 11.4.2.1. There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.
- 11.4.2.2. **Open Tender:** This is where all potential suppliers are invited to tender. The AFL/SA must discuss and agree with the Diocesan Schools Officer/CFO how best to advertise for supplier's e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- 11.4.2.3. **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 are such that only specific suppliers can be expected to supply the academy's requirements,
 - the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

11.4.2.4. **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.

11.4.3. **Preparation for Tender**

11.4.3.1. 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.

11.4.4. **Invitation to Tender**

11.4.4.1. 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.

11.4.4.2. 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.

11.4.5. **Aspects to Consider**

11.4.5.1. 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

11.4.5.2. 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

11.4.5.3. 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.

11.4.6. **Tender Instructions**

11.4.6.1. The invitation to tender should state the date and time by which the completed tender document should be received by the academy.

- 11.4.6.2. 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.
- 11.4.6.3. Tenders received after the submission deadline should not normally be accepted.

11.4.7. Tender opening procedures

- 11.4.7.1. Two people should be present for the opening of tenders.
- 11.4.7.2. All tenders submitted should be opened at the same time and the tender details recorded.
- 11.4.7.3. 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

11.4.8. Tendering Evaluation and Acceptance

- 11.4.8.1. 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 Body/Local Board **must** refer this in the first instance to the CFO for subsequent referral to the Finance & Audit Committee who will consider whether this is sufficient and consider re tendering. Decisions to go ahead should fully document the justification.
- 11.4.8.2. 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.
- 11.4.8.3. Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers/contractors that could compromise or be seen to compromise their independence.
- 11.4.8.4. Full records should be kept of all criteria used for evaluation and a report should be prepared for the Finance & Audit Committee highlighting the relevant issues recommending a decision.
- 11.4.8.5. Where required by the conditions attached to a specific grant from the DfE/ESFA, their approval must be obtained before the acceptance of a tender.
- 11.4.8.6. 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 Vine Trust Finance & Audit Committee. All decisions made must be justified and recorded as such in the minutes of that meeting for future reference.
- 11.4.8.7. A copy of the tender documentation should be held on site for easy reference as required.
- 11.4.8.8. Acceptance of any tender will be confirmed to the contractor/supplier in writing and no work shall be started until this has been done.
- 11.4.8.9. 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 Finance & Audit Committee.

11.5. Official Journal of the European Union

- 11.5.1. Purchases over the EU threshold are to be dealt with in accordance with OJEU and in accordance with the appropriate SoFD.
- 11.5.2. The Vine Trust will retain oversight of potential qualifying purchases, procedures detailed in section 11.4.1 **must** be observed.

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

11.6. Existing Contract Review and Procedures

- 11.6.1. The Vine Trust engages a number of 'Key Partners' who provide group arrangements/core services and efficiencies through centralised processing opportunities i.e. Essex Education Services, PS Financials, Challenge Partners etc. Where the average annual contract cost per academy exceeds £50,000 then tendering procedures detailed in section 11.4 will be implemented on contract renewal.
- 11.6.2. High-Value contracts with Key Partners i.e. those in excess of £100,000 per annum, or those additionally identified by the Vine Directors/CFO 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 Committee.
- 11.6.3. Intermediate Value Key Partner contracts i.e. those less than £100,000 per annum will be monitored annually along with Vine Trust 'Preferred Suppliers' to ensure that best value is maintained.
- 11.6.3.1. Vine Trust Preferred Suppliers are designated by the Finance & Audit Committee/CFO.
- 11.6.4. All 'other contracts' i.e. local academy agreements will be monitored regularly, typically annually, to ensure best value is maintained.

12. Payroll and Personnel Procedures

- 12.1.1. 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 Vine Scheme of Delegation and other relevant Vine policies.
- 12.1.2. 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.
- 12.1.3. The AFL (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 and both the Vine Trust financial accounting and budgeting systems.
- 12.1.4. Neither the EHT/HT nor the Head of School (HoS)/Deputy Headteacher (DH) can authorise amendments concerning their own pay and contract conditions. Changes to the EHT/HT pay and contract conditions **must** be authorised by the Vine Trust Pay Committee.
- 12.1.5. The AFL cannot authorise amendments concerning their own pay and contract conditions. Changes to the AFL pay contract conditions **must** be authorised by the appropriate SA or Trust Approver.
- 12.1.6. Designated individuals within The Vine Trust Central Operations Team will retain administrator and authoriser permissions across all academies within the Vine Trust for support and resilience purposes.
- 12.1.7. All salary payments **must** be made by BACS.
- 12.1.8. The AFL (academy)/TFM (Vine Trust) 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.
- 12.1.9. The Apprenticeship Levy will be monitored by the TFM, who will liaise with both the Payroll Service Provider and AFL's and make adjustments as necessary.

- 12.1.10. 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 AFL/TFM to ensure that this is done.
- 12.1.11. Each month the AFL/TFM will reconcile back to bank statements all payments for salaries, BACS and other salary related payments.
- 12.1.12. Each month the AFL and EHT/HT in an Academy and the TFM/CFO for trust central staff, 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.
- 12.1.13. 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 EHT/HT to ensure this is done. This monitoring is to be recorded and available for checking by external auditors, Vine Trust Central Operations Team, Responsible Officer and Accounting Officer as required.
- 12.1.14. Copies of all individual notifications to the Payroll Provider will be filed by the AFL (or specifically designated individual) in the personal file of the staff member concerned and kept secure.
- 12.1.15. The EHT/HT (or formally delegated authority) 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.
- 12.1.16. The AFL/TFM is responsible for ensuring that annual salary statements are issued to all staff as follows:
 - 12.1.16.1. Those employees on Teachers Conditions – September annually
 - 12.1.16.2. Those employees on Local Government Conditions – April annually
 - 12.1.16.3. Copies of salary statements are to be filed in the employee's personal file and kept secure.

13. Income

13.1. EFSA Grants

- 13.1.1. The main source of income for the Vine Trust is by way of academy grants from the ESFA, i.e. General Annual Grant, Pupil Premium Grant, Universal Infant Free School Meals Grant, PE & Sports Grant etc.
- 13.1.2. ESFA Grants will be remitted to the Vine Trust in the first instance and then transferred to academies, less holdback if appropriate, on dates typically determined by the Accounting Timetable issued by the Vine Trust.
- 13.1.3. All ESFA Grant transaction processing, including posting onto the financial accounting system, will be undertaken centrally and monitored by the CFO.
- 13.1.4. It is the responsibility of the AFL to ensure that EFSA funding in relation to their academy(s) reconciles and that holdback calculations are accurate. The original ESFA remittance advice and a Payment Schedule, detailing holdback calculations and cumulative funding information, will be provided for reconciliation purposes.
- 13.1.5. It is the responsibility of the AFL to ensure that ESFA Grants due to the academy are received and that any variance between budget and actuals are investigated immediately.

13.2. Other Grants

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

- 13.2.2. Variances between budget and actuals should be investigated immediately and reported to the EHT/HT.

13.3. Other income

- 13.3.1. Other income includes but is not limited to catering, lettings, trips, clubs and charitable collections.
- 13.3.2. It is the responsibility of the AFL to ensure that all income due to the academy has been received, banked and that all income due to the academy is collected and reconciled to the financial accounting system.
- 13.3.3. 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:
- 13.3.3.1. Basis of fees payable to the company
 - 13.3.3.2. Complete audit trail and facility of income reconciliation of totals received
 - 13.3.3.3. 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 Vine Trust to ensure its academies are receiving value for money and that the provider is giving an adequate service.
- 13.3.4. All 'other income' not received electronically should be accepted in a money envelope and recorded immediately, ideally on the academy's Daily Income Collection Record (appendix 15.4) subsequently entered onto the financial accounting system. 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.
- 13.3.5. 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.
- 13.3.6. Personal cheques **must** not be cashed.
- 13.3.7. 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.
- 13.3.8. The AFL is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank, the sums posted to the accounting system and related system generated reports. The reconciliations **must** be prepared promptly after each banking and must be reviewed and certified by the SA.
- 13.3.9. Other income received at the academy will be acknowledged to the payer by either:
- 13.3.9.1. Issue of a receipt when the value of the payment exceeds £20.00 or,
 - 13.3.9.2. By the collector signing an official collection record i.e. Residential Trip Payment Card (if not through cashless facility).
- 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.
- 13.3.10. 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.

13.4. Invoiced Income

- 13.4.1. Income due that is not managed through an online payment service provision i.e. SchoolMoney, **must** be invoiced using the financial accounting system.
- 13.4.2. The Vine Trust is not VAT registered, VAT on income does not need to be accounted for.

13.5. Gift Aid

- 13.5.1. The Vine Trust is an exempt charity and able to claim gift aid on donations from individuals.
- 13.5.2. Gift aid claims will be made online by the TFM, on behalf of an academy, against supporting information provided by the AFL.
- 13.5.3. Gift aid income will be remitted to the Vine Trust, reconciled against the application and then transferred to the academy to which it relates.

14. Risk Management

- 14.1.1. The Local Governing Body/Local Board should ensure that a risk register is prepared and updated regularly in the format determined by the Vine Trust. It should identify significant risks and the member of staff responsible for managing it.
- 14.1.2. It is recommended that reviews are undertaken at least termly initially by a 'working party' consisting of a Local Governor, EHT/HT and AFL and that both local and central risks are included and managed in line with the Vine Trust Risk Management Policy, for discussion at the next Local Governing Body/Local Board or Committee meeting and included in the minutes as appropriate.
- 14.1.3. Risk Management **must** be an agenda item at each Local Governing Body/Local Board, Committee meeting and a copy of the register present for discussion.
- 14.1.4. Termly a copy of the Risk Register **must** be submitted to monitoring@vineschoolstrust.org or more regularly if significant changes are identified.
- 14.1.5. Where risk arises that threatens the reputation of the Vine Trust or the financial viability of an academy, they should be notified to the Finance & Audit Committee through the CFO immediately.

15. Appendices

15.1. Scheme(s) of Financial Delegation (SoFD)

- 15.1.1. The scheme(s) of financial delegation for academies within the Vine Schools Trust is predetermined annually by the number of pupils on roll at the Autumn Census preceding a new academic year and confirmed in the Annual Letter of Funding (GAG Statement), issued by the Education & Skills Funding Agency during the Spring Term.
- 15.1.2. The CFO will determine the appropriate scheme of financial delegation that **must** be applied by an Academy for the full academic year and will confirm this to the SA, Chairperson of the Local Governing Body/Local Board and AFL by way of e-mail.
- 15.1.3. Senior Leaders directly accountable for multiple academies may apply to the CEO prior to the start of a new academic year for an aggregated scheme of financial delegation, where it can be demonstrated that shared financial resources are embedded and operational efficiency can be increased further across the academies. Each application will be evaluated on a case by case basis.
- 15.1.4. The SoFD may include the following abbreviations:
- | | | |
|-----------|------|--|
| 15.1.4.1. | VTDD | Vine Trust Designated Director (usually the Finance Director) |
| 15.1.4.2. | VTMD | Vine Trust Mandated Director (usually the Finance Director) |
| 15.1.4.3. | TA | Trust Approver (authorisation limits detailed in Appendix 15.1.1e) |
| 15.1.4.4. | SA | School Approver (typically Executive Headteacher/Headteacher) |
| 15.1.4.5. | AFL | Academy Finance Lead |
| 15.1.4.6. | OJEU | Official Journal of the European Union |
| 15.1.4.7. | BH | Budget Holder |

15.1.1a Academies with up to and including 115 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £5,000	BH (if appropriate) and SA
	£5,001 to £50,000	SA and TA (subject to approval limits in 15.1.1e)
	Over £50,000	VTDD and The Board (if over OJEU)
Authorisation of invoices	Up to £5,000	SA
	Over £5,000	SA & TA (subject to approval limits in 15.1.1e)
Quotations and tendering	Up to £2,000	One quote
	£2,001 to £5,000	Two quotes (three for DFC Grant purchases)
	£5,001 to £50,000	Three quotes
	£50,001 to OJEU limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring VTDD approval
	Over OJEU limit	OJEU advertising required and Finance & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by documented explanation prepared by AFL&SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £5,000	Any two bank signatories
	Over £5,000	Two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £15,000	Any two bank signatories
	Over £15,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £5,000	Any two bank signatories
	Over £5,000	Two bank signatories, one of which <u>must</u> be the VTMD
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH, AFL & site staff but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the VTMD
Standing Orders	Up to £5,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan
	Over £5,000 p.a.	Two bank signatories, one of which <u>must</u> be the VTMD

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £2,000	The AFL <u>must</u> identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Support Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	VTDD
Write-Off of bad debts approval	Up to £150	SA
	£151 to £45,000	VTDD
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, <u>must</u> be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £5,000	SA
Contracts greater than 12 months and/or not included in Academy's approved* budget plan	All values	VTDD

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance & Audit Committee

Capital Projects	Value	Delegated Authority
Capital Spending (includes DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Board in conjunction with the Diocesan Board of Education

15.1.1b. Academies with 116 to 340 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £10,000	BH (if appropriate) and SA
	£10,001 to £50,000	SA and TA (subject to approval limits in 15.1.1e)
	Over £50,000	VTDD and The Board (if over OJEU)
Authorisation of invoices	Up to £10,000	SA
	Over £10,000	SA & TA (subject to approval limits in 15.1.1e)
Quotations and tendering	Up to £2,000	One quote
	£2,001 to £5,000	Two quotes (three for DFC Grant purchases)
	£5,001 to £50,000	Three quotes
	£50,001 to OJEU limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring VTDD approval
	Over OJEU limit	OJEU advertising required and Finance & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by AFL & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the VTMD
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH, AFL & site staff but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the VTMD
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan
	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the VTMD

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £2,000	The AFL must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Support Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	VTDD
Write-Off of bad debts approval	Up to £250	SA
	£251 to £45,000	VTDD
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £10,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	VTDD

* An approved budget plan is one that has been formally authorised by The Board, CFO or Vine Trust Finance & Audit Committee

Capital Projects	Value	Delegated Authority
Capital Spending (includes DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Board in conjunction with the Diocesan Board of Education

15.1.1c. Academies with 341 to 650 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £15,000	BH (if appropriate) and SA
	£15,001 to £50,000	SA and TA (subject to approval limits in 15.1.1e)
	Over £50,000	VTDD and The Board (if over OJEU)
Authorisation of invoices	Up to £15,000	SA
	Over £15,000	SA & TA (subject to approval limits in 15.1.1e)
Quotations and tendering	Up to £2,000	One quote
	£2,001 to £5,000	Two quotes (three for DFC Grant purchases)
	£5,001 to £50,000	Three quotes
	£50,001 to OJEU limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring VTDD approval
	Over OJEU limit	OJEU advertising required and Finance & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by AFL & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, with secondary approval from the appropriate TA prior to remittance
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the VTMD
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the VTMD
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan
	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the VTMD

* An approved budget plan is one that has been formally authorised by The Board or Vine Trust Finance & Audit Committee

Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £2,000	The AFL must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Support Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	VTDD
Write-Off of bad debts approval	Up to £350	SA
	£351 to £45,000	VTDD
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £15,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	VTDD

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Capital Projects	Value	Delegated Authority
Capital Spending (includes DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Board in conjunction with the Diocesan Board of Education

15.1.1d. Academies with over 650 pupils (determined at the start of each academic year)

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £20,000	BH (if appropriate) and SA
	£20,001 to £50,000	SA and TA (subject to approval limits in 15.1.1e)
	Over £50,000	VTDD and The Board (if over OJEU)
Authorisation of invoices	Up to £20,000	SA
	Over £20,000	SA & TA (subject to approval limits in 15.1.1e)
Quotations and tendering	Up to £2,000	One quote
	£2,001 to £5,000	Two quotes (three for DFC Grant purchases)
	£5,001 to £50,000	Three quotes
	£50,001 to OJEU limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring VTDD approval
	Over OJEU limit	OJEU advertising required and Finance & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by AFL & SA

Payments	Value	Delegated Authority
Payment by BACS/ electronic transfer (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the appropriate TA prior to remittance
Payment by BACS/ electronic transfer (multiple supplier total)	Up to £25,000	Any two bank signatories
	Over £25,000	Two bank signatories, one of which <u>must</u> be the VTMD
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the VTMD
Purchase Card	Limited to £2,000 (aggregated across all cards issued)	SA (purchase cards may be issued to BH but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the VTMD
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the SA, supported by an approved* budget plan
	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the VTMD

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Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £2,000	The AFL must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Support Manager)
Disposal of assets approval	Up to £1,000	SA
	Over £1,000	VTDD
Write-Off of bad debts approval	Up to £500	SA
	£501 to £45,000	VTDD
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Historical facilities, in any event not exceeding £200, must be withdrawn within 2 months of conversion

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £20,000	SA
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	VTDD

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Capital Projects	Value	Delegated Authority
Capital Spending (includes DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Vine Trust Board in conjunction with the Diocesan Board of Education

Ordering Goods & Services	Value	Delegated Authority
Requisitions and Purchase Orders (within approved budget)	Up to £25,000	Budget Holder and Trust Finance Manager
	£25,001 to £75,000	TFM and VTDD
	Over £75,000	VTDD and The Board
Authorisation of invoices	Up to £25,000	TFM
	Over £25,000	VTDD
Quotations and tendering	Up to £5,000	One quote
	£5,001 to £10,000	Two quotes
	£10,001 to £50,000	Three quotes
	£50,001 to OJEU limit	Formal tender process, including a minimum of three suitably qualified suppliers requiring VTDD approval
	Over OJEU limit	OJEU advertising required and Finance & Audit Committee approval
Authority to accept other than lowest quote		Next person on the procurement chain, supported by a documented explanation prepared by TFM/CFO

Payments	Value	Delegated Authority
Payment by BACS/cheque/transfers (individual supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Any two bank signatories with approval of the VTMD prior to remittance
Payment by BACS/cheque/transfer (multiple supplier total)	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the VTMD
Cheque	Up to £10,000	Any two bank signatories
	Over £10,000	Two bank signatories, one of which <u>must</u> be the VTMD
Purchase Card	Limited to £2,000	Trust Approver (purchase cards may be issued to budget holders but purchase payments can only be made if supported by a fully authorised Purchase Order)
Direct Debits	All instructions	Two bank signatories, one of which <u>must</u> be the VTMD
Standing Orders	Up to £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the TFM, supported by an approved* budget plan
	Over £10,000 p.a.	Two bank signatories, one of which <u>must</u> be the VTMD

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Assets, Disposals & Write-Offs	Value	Delegated Authority
Fixed Asset Register	Over £2,000	The TFM must identify all assets to be capitalised and <u>must</u> ensure these are included on the Academy's Fixed Asset Register (maintained by the Vine Trust Support Manager)
Disposal of assets approval	Up to £1,000	TFM
	Over £1,000	VTDD
Write-Off of bad debts approval	Up to £500	TFM
	£501 to £45,000	VTDD
	Over £45,000	The Board with approval of the Secretary of State and the ESFA

Petty Cash**	Value	Delegated Authority
Imprest Level	£Nil	Not applicable

** Petty cash must be phased out of Academy schools within 2 months of conversion

Contractual Agreements	Value	Delegated Authority
Contracts of less than 12 months and are included in an Academy's approved* budget plan	Up to £20,000	TFM
Contracts longer than 12 months and/or not included in Academy's approved* budget plan	All values	VTDD

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Capital Projects	Value	Delegated Authority
Capital Spending (includes DFC and other Capital Grant projects)	£2,000 to £50,000	Diocesan Schools' Officer
	Over £50,000	The Board in conjunction with the Diocesan Board of Education

Trust Approver (TA) – Secondary Authoriser	Value	Nature of Delegation
TFO	Up to £10,000	Approval of single supplier payment
	Up to £25,000	Approval of multiple supplier payments
TFM	Up to £25,000	Approval of supplier payments
CFO	Up to £50,000	
VTDD	Up to OJEU limit	
Finance & Audit Committee	Over OJEU limit	

Intra-company Transfers	Value	Nature of Delegation
TFO	Up to £10,000	Two signatories, subject to SA/TFM authorisation
TFM	Up to £25,000	
CFO	Up to £50,000	
VTMD	Over £50,000	

Over Budget Approval	Value	Nature of Delegation
TFM	Up to £5,000	Each instance no greater than 10% of local SA level up to a total of 20% local SA level per annum. Within framework determined by CFO/VTDD
CFO	Up to £50,000	Over £5,000 reportable to VTDD
VTDD	Up to OJEU limit	
Finance & Audit Committee	Over OJEU limit	

The Diocese of Chelmsford Vine Schools Trust	Date :
Name :	Location ID :
Address:	
Bank Account details for reimbursement by BACS :	
Account Number : _ _ _ _ _	Sort Code : _ _ - _ _ - _ _

Mileage

Vehicle Details: Reg No		Engine Size: cc		Petrol/Diesel (delete as necessary)		
Date	From/To/Reason for journey	Mileage			Amount	Account/Nominal Codes
		Total miles	Home to work miles	Miles to be claimed		
Total						

No reimbursement for mileage will be made without a valid VAT petrol/diesel receipt

Expenses

Date	Details of expenditure and reason for claim	Amount	Acc./Nom detail
Total			

Reimbursement of expenses incurred on behalf of the Academy will only be made against a valid receipt

Total of this Claim	
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Signature of Claimant

Signature of Authoriser

For internal use only:

