



FINANCIAL MANUAL
THE DENBIGH ALLIANCE
MULTI ACADEMY TRUST

2024-2025

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INTRODUCTION

The Trust will comply with company law as set out in the Companies Act 2006 (and subsequent Acts); and charity law and the requirements of the Charity Commission and its Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities. The Trust will comply with the Academy Trust Handbook published and updated annually and will reflect relevant changes where applicable within this manual. The Academy Trust Handbook provides a broad summary to guide academy trusts in managing their governance and financial framework.

All staff who undertake financial transactions on behalf of the Trust must comply with the procedures and controls set in place by the Board of Trustees and contained within this Manual. Failure to comply with the financial procedures and controls of the Trust may lead to disciplinary action being taken against the member of staff involved. Such disciplinary action could result in dismissal.

Link to ESFA Academy Trust Handbook : [ATH 2023\(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

THE FINANCE MANUAL – PURPOSE

Trustees and managers have a duty to maintain robust financial oversight of the academy trust, its schools and operating divisions. The purpose of the Finance Manual is to provide a set of principles for staff to follow, and to provide trustees with a financial framework that is followed, and can be tested for robust structure, process and internal control measures to ensure accuracy and mitigate misappropriation.

The Manual will be updated on an annual basis, and more regularly if required, and will set out to maintain a clear set of basic control principles and controls that must be complied with.

RESPONSIBILITIES AND ORGANISATION

Members

Appoint the trust's external auditors and receive (but do not sign) the audited annual report and accounts (subject to the Companies Act).

Have power to change the company's name and, ultimately, wind it up.

Trustees

The Board of Trustees are the directors of The Denbigh Alliance and are responsible for ensuring that the Trust meets all obligations placed upon it by the Secretary of State for Education.

The Trust is governed by a Board of Trustees constituted under a Memorandum of Association and Articles of Association. The Trust Board is responsible for ensuring that high standards of corporate governance are maintained and implemented.

To fulfil the obligations placed upon it, the Board of Trustees and Governors are divided into several committees. The individual committees are explained in detail in the Trust's Terms of Reference documents (latest version 2022). The Terms of Reference of the full Board of Trustees and for each committee of both trustees and governors are available from the Trust's Governance professional.

CEO

The Chief Executive Officer is the Accounting Officer, and is responsible to the Board of Trustees for ensuring that the financial requirements are implemented including:

Ensuring regularity and propriety.

Prudent and economical administration, transaction processing, capture and retention of information and data

Avoidance of waste and extravagance.

Efficient and effective use of available resources, and

The day-to-day organisation, staffing and management of the Trust.

Finance Director / CFO

Responsible for all dealings with ESFA in terms of submission approvals that are required.

- The day-to-day financial administration of the Trust is the responsibility of the Finance Director who is responsible for:
- The day-to-day management of financial transactional processing, financial data capture and accurate reporting

- The management and reporting of the Trust's financial position, effectively reporting to Trustees and Trustees with regular monthly management reports that compare to the annual budget and update variances to provide a current full year forecast. The provision of management accounts to be presented to Trustees at least six times per year.
- The maintenance of effective systems of internal control; and
- Ensuring the annual accounts are without error, provided on-time and presented and adequately supported by the underlying books and records of the Trust.

External audit

Under the Companies Act 2006, academy trusts must appoint an auditor and undergo a full annual audit process. Appointment of auditors is kept under review, and auditors are appointed by and/or terminated by the Members of the Trust. Proposals to remove auditors must require a majority vote of the members who must provide reasons for their decision to the Board. Any change to auditors must be notified to ESFA immediately with reasons. The exception to this rule is where the change in auditor is due to the expiry of the agreed term of office.

The auditors' responsibility is to determine whether the Trust accounts represent a going concern and present a true and fair view of the trust's financial performance and position.

Internal Scrutiny

The responsibilities of the Internal Scrutiny Review is to provide an independent oversight of the Trust's internal controls. The reviewer will not be on the Trust staff. The reviewer will demonstrate that they have the skills and qualifications necessary to carry out the role and will therefore be a qualified accountant, or professional organisation.

Internal scrutiny must focus on:

- Evaluating the suitability of, and level of compliance with, financial and nonfinancial controls. This includes assessing whether procedures are designed effectively and efficiently and checking whether agreed procedures have been followed.
- Offering advice and insight to the board on how to address weaknesses in financial and non-financial controls, acting as a catalyst for improvement, but without diluting management's responsibility for day to day running of the trust.
- Ensuring all categories of risk are being adequately identified, reported, and managed.

The trust must identify on a risk-basis (with reference to its risk register) the areas it will review each year, modifying its checks accordingly. For example, this may involve greater scrutiny where procedures or systems have changed.

RESPONSIBILITIES OF COMMITTEES

Audit & Risk Committee

- Ensure a process and system of internal controls exists and is followed, to enable independent checking of financial controls, systems, operations, transactions and risks.
- Ensure statutory accounts and reports are prepared in line with the requirements set by Companies House and the ESFA.
- To consider all aspects of the external audit, including periodic tendering, appointment and remuneration of the external auditor (in cooperation with the Members, who have the formal duty to appointment the auditors); the nature and scope of the statutory audit; the recommendation of audited financial statements to the Board and the discussion of issues raised in the external auditor's management letter.
- To ensure the annual financial statements are true and fair and conform to current accounting standards and that accounting policies are appropriate and applied consistently.
- To review the performance reported in the Trustees' Annual Report and ensure that it is a true reflection of the Trust's performance.
- To review all reports prepared by the external auditor and agree the programme of work proposed by management to address issues raised.
- To review the process for awarding non-audit work to the external audit firm and ensure that potential conflicts of interest are managed in the best interests of the Charity.

- Review any recommendations made by the Secretary of State for Education for improving the financial management of the Trust's academies.

Note: no member of the Audit and Risk Committee may be involved in any financial transactions or be a cheque or payment signatory.

Operations Committee

- Develop a financial strategy for the Trust, and own and regularly review policies, procedures, plans and controls to ensure it is achieved.
- Develop and implement consistent financial policies and procedures across the Trust.
- Ensure the preparation of the Trust and academy/school level budgets, review budget proposals and make recommendations to the Trust.
- Monitor the Trust's income and expenditure throughout the year and ensure that each academy/school is accountable for the achievement of its delegated budget.
- Ensure the maintenance of a three-year rolling budget plan, taking account of changes in student numbers.
- Ensure Trustees are informed of any significant changes in funding arrangements and the implications for the Trust.
- Produce, maintain and monitor a plan and programme to maximise all forms of Trust income.
- Monitor the Trust's reserves and produce and maintain a plan for maximising the income and benefits from the reserves.

PROCEDURES FOR FINANCIAL TRANSACTIONS

PAYROLL PROCEDURES

The Trust processes payroll via a payroll agency DataPlan Ltd.

Authorisation to recruit forms will be prepared by the Human Resources office, approved by the Headteacher and submitted to the Finance Director to approve if within budget. If outside of budget*, then it must be passed to the CEO to carry out further checks prior to authorisation.

*Where additional funding has been received (following approval of budget) to accommodate increases in pay costs outside of the trust's control (STRB agreements), these will be considered to be within budget.

*Appointments for futures years will be approved against the latest approved 3-year plan.

HR manage all payroll system changes and prepare all the information for upload to DataPlan to enable overtime, pay deductions, extra payments, new starters, leavers, contract changes, Maternity/ Paternity changes etc. They will have evidence of approval by the responsible persons to ensure the appropriate level of approval has been achieved to enable the changes.

The CFO and HR manager are responsible for checking current monthly payroll reports. The CFO will approve payments. In the absence of the CFO, or in addition, individual schools' Business Managers (or equivalent) and /or headteachers will check the reports prior to approval.

The Finance Officer will be provided with a department split of costs to prepare and input a journal to the financial processing system. This will be carried out once payroll has been completed and paid. The Finance Officer will carry out a detailed review of costs to bank and provide a full reconciliation of costs for sign off by the CFO.

Payroll costs will be prepared by cost centre/department centre and compared to the annual budget. A revised forecast will be calculated using both run-rates of known costs and expected or known changes within year. Revised payroll forecasts will form part of the monthly financial management reporting.

The External Reviewer, as part of their Internal Scrutiny programme, will make periodic checks of the payroll procedures.

STAFF EXPENSES

Expenses may be claimed for bona fide business expenditure (in line with approved rate and valid receipt – APPENDIX ONE) carried out by staff in their course of their duties.

No expenses will be claimed or paid for personal expenditure that is not Trust or school related.

Expenses will be authorised by the relevant Budget Holder.

For the avoidance of doubt – NO CLAIM for Alcohol expense will be approved or processed. They will be paid by BACS transfer on the next available BACS run.

TRAVEL AND SUBSISTENCE

The current rates for payment of mileage are contained in Appendix ONE.

The cost of public transport expenses are met in full.

Additional mileage because of a business journey may be claimed.

Mileage and subsistence rates are within the HMRC guidelines and, therefore, there is no necessity to pay any additional tax or NIC payments under the Inland Revenue “Benefits in Kind” rules.

First class travel will not be reimbursed.

Overseas travel for student trips **must** be approved by the Headteacher prior to departure. Any other overseas travel for staff must be approved by the CEO (or Chair if involving the CEO).

HOSPITALITY

The hospitality process is contained at Appendix TWO

RELOCATION PACKAGE

Where appropriate, the Board of trustees may decide to offer relocation expenses for the recruitment of senior positions.

BANK AND CASH

Bank Account

The appointment of banking services is reviewed in accordance with Board of Trustees instructions.

The Trust banks with HSBC Bank plc, at their George Street, Luton branch.

Electronic Banking Facility

The HSBCnet electronic banking facility is used for obtaining balances and transaction information and used to transfer funds between designated accounts (Main and e-saver). HSBCnet is used to pay normal supplier creditor payments via the BACS process.

Access to the system is safeguarded by the entry of individual Identifier Names and Passwords.

Bank Reconciliation

Bank reconciliations are to be carried out regularly and at least monthly. Bank reconciliations must be carried out for all Trust bank accounts. A printout of the outstanding items will be taken to verify both the system total and Bank statement balance, which is to be signed by the Finance Officer in agreement of the statement.

The reconciliations are to be available for the CFO to enable checks to be carried out on the current position at all times, also for the External Reviewer and External Auditors to carry out their check of the Trust systems.

On-Line Payment Facilities

An on-line payment facility exists within the Trust (currently Parentmail). This facility enables parents to pay for trips, events, educational equipment and resources, school meals and donations. The financial system is managed by the Finance Team and the liaison with parents and teachers is managed by the schools, the teachers, and the administrators.

Cash receipts

All cash received must clearly show who has handed it to finance, why it has been collected and who has received it and checked the amount is correct.

Finance needs to reference this with a unique identifier that is used on any bank slip so that it can be identified on the bank statements.

Cash stored on the school premises will be kept to a minimum and will not exceed the insured limit of £5,000.

All cash must be stored securely at all times and will be banked monthly where the amount is over £500, ensuring a maximum of £5,000 is retained at any time.

The banking form is to be agreed with the individual Trust receipts and with the bank paying-in slip.

Petty cash

Petty cash floats are limited to a value of £500 and are allowable at the discretion of the Business Manager or equivalent.

Petty cash floats must be kept in a safe locked location.

CREDIT CARDS AND CHARGE ACCOUNTS

Credit Cards

Trustees have agreed to allow the Trust to use designated Trust credit cards, which are subject to the following conditions:

The upper credit limit is to be no more than £30,000

The account is to be cleared monthly by direct debit.

Cardholders are responsible for the safety of credit cards at all times.

The designated staff member is the ONLY person allowed to use the card. If they are away from Trust, for whatever reason, no purchase using the card is permitted.

The CFO is to verify the use of the card and ensure that only authorised transactions have taken place when reviewing the monthly reconciliation.

Only authorised Trust transactions are permitted, and unauthorised use will be a disciplinary offence.

The card will be used for the following purpose:

- Paying for travel expenses for Trust trips, e.g., flight tickets
- Paying for Trust purchases by telephone
- Paying for Trust purchases by internet

Credit Card Control and posting of transactions to the Finance System:

The spreadsheet for each card is matched to the statement and then each transaction is checked to the purchase orders and the payment allocated giving a unique allocated payment number.

If the payments are related to sundry invoices raised e.g. staff milk at Sainsbury's they are still given a unique payment reference but not matched to a requisition. In this case they are signed off by a senior person, Headteacher, senior leadership team member, business manager or Finance Director.

A file with the statements, invoices / evidence of transaction and or signed sundry invoices are kept in a file for audit or review.

PURCHASING PROCEDURES

Review of procurement process will take place annually during April by the Finance Director. The review will assess multiple orders for the same goods and services and larger spends.

As a result, a list of established suppliers will be created for certain supplies of goods and services for the coming year. Once the list of suppliers is established, further quotes / value for money assessments will not be required during the year against the criteria used in the selection process. Where works are required outside of the selection criteria then normal procurement processes must be followed.

GOODS

All values mentioned below in the procurement section relate to the entire value of any purchase. For example, if a service is procured at £5,000 per year over a 5-year period, then this must be treated as a purchase of £25,000.

Purchase orders must be raised for the entire value of any contact (as above), any value to future years will be moved to a prepayments code manually by finance.

IT

End-user devices

All schools will feed their needs into the central IT team annually by February half-term for the following year's needs. The central IT team will review requests in line with the trust IT strategy and the affordability at each school. An annual bulk procurement will take in March/April, to ensure equipment is ready for use in September.

Infrastructure

As part of the annual bulk procurement the central IT team will include infrastructure items that have already been approved in the IT strategy.

Purchasing of goods

All requests for expenditure are to be requested using the Financials Live on-line ordering and requisitioning system. The requisitioner must ensure the order is prepared with accurate quantities and values plus any relevant description of the goods or services being ordered.

Consideration must be given to value for money when placing all orders.

Before approving any requisitions, **Budget Holders** must ensure that the following requirements are met.

Single purchase value	Value for money review*	2 x formal quotes (uploaded to Financial Live)	3 x formal quotes (uploaded to Financial Live)	Approved Framework / or internal formal tender
To £1,000	✓			
£1,000 - £5,000	✓			
£5,000 - £25,000		✓		
£25,000 - £50,000			✓	
£50,000+				✓

*Value for money review

Purchases of good to the value of £5,000 will require a value for money review prior to committing any expenditure.

The budget holder is responsible for ensuring that value for money is obtained on all purchases and that an appropriate level of scrutiny is applied dependent on the value of the purchase.

For values up to £1,000 budget holders must ensure that goods are being purchased in an appropriate manner that meets the needs of the department. The following should be taken into consideration:

- Price
- Quality
- Specification
- Lead-time

- Quantity

Values between £1,000 and £5,000 require more scrutiny and budget holders should consider obtaining further levels of assurance which may include:

- Web quotations
- Catalogue prices
- Further quotations from suppliers
- Feedback from professional research

Authorisation levels

Value	Final approval level
up to £1,000	Budget Holder
up to £5,000	Senior Leader/Head of School
up to £25,000	Head Teacher
up to £50,000	CFO
up to £200,000	CEO
£200,000+	Board Approval

Individual Headteachers may wish to choose lower levels of authorisation.

Prior to purchase orders leaving the trust a check of the requisition is carried out by finance staff to ensure that the correct quotes have been obtained, the correct codes have been allocated and that budget is available.

Virement from non-pay budgets to pay budgets is only permissible with the authorisation of the CFO.

Purchasing Process (the limits below refer to the annual cost to the trust, not the total value of the contract)

Requests for expenditure are to be requested using the Financials Live on-line ordering and requisitioning system. There are some exceptions to this rule including purchases from e-bay / cash purchases / credit card etc, the CFO will determine the process to follow for these types of purchases.

The requisitioner must ensure the order is prepared with accurate quantities and values plus any relevant description of the goods or services being ordered.

wherever possible alternatives should be sought to ensure that purchases represent best value for money.

Orders requested to be made by the Finance Office using on-line retail sites such as eBay, Amazon etc, must comply with the ordering procedures, i.e., by raising an order requisition for approval, prior to the order being made using the on-line facility.

Orders for urgent services that may affect the safety or operations of a school, may not need the normal number of quotations. A decision may be taken by the Headteacher to purchase goods or services in order to manage such a situation. This situation should be rare and an exception to the rules.

Where goods or services are from a single supply provider (e.g., Apple), the requirement for additional quotations may not be possible. In these circumstances the original contract must be approved by the headteacher and CFO.

If there is any change / amendment to an order, contract, specification or quotation from that presented to a budget holder; their written consent to any change or amendment is necessary before any purchase or contract commences.

The procedures for on-going critical contracts such as IT anti-virus/security/firewall/Sims contracts will be treated separately from the ordering and tendering procedure and considered from time to time as to whether they represent value for money.

Tendering / Framework Evaluation

Delegated Financial Limits

	Board of Trustees	CEO	CFO
Goods and one-off services			

In approved budget	>£200k	£200k	£50k
Not in budget - emergency	>£50k	£50k	£10k
Not in budget	>£10k	£10k	Nil
Not in budget but separately funded	>£200k	£200k	£50k

Any purchase for good or services that exceeds OJEU limits, within the Trust, must follow an appropriate OJEU compliant procurement process.

Proposed purchases for goods or services amounting to more than £200k across the trust should be brought to the Operations Committee of Full Board for evaluation and at the discretion of the committee/board may require a full tender, or use of an existing framework. Where goods or services are supplied by a single supplier, or where the goods or services are previously identified as the trust's preference it may not be possible to receive alternative quotes, and alternative justification and alternative options may be required to justify value for money.

If a tender/framework is the preferred route, then the following procedure will be followed:

Approval to use a specific framework will follow the delegated authority levels above.

Dependent on the value of the tender and the purpose (type of product of service to be supplied), to ensure a competitive tendering policy is in place and applied, reference to and compliance with relevant legislation thresholds must be observed. The Department for Education recommendations to utilise "Deals for Schools" should be considered in order to simplify the process and aid in ensuring value for money, i.e. the framework suppliers, as these organisations have carried out the tendering process and may avoid the necessity for the Trust to perform this work.

All replies should be emailed to the FD marked "Tender" to reach him by a specified date. All replies must be opened at the same time and details of the contractor, quotation and any other details recorded at the time of opening. The opening of the 'Tender' emails will be witnessed by a member of staff or governor independent of the tender process.

No contractor will be allowed to amend the tender after the time fixed for receipt, unless directed by the Trust to amend the project objectives.

The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest priced tender.

From 1 January 2021 a new e-notification service called Find a Tender will be used to post and view public sector procurement notices.

Bolstering the UK Government's Contract Finder service, all buyers holding competitive tenders for goods, services or works over the agreed thresholds, will need to publish their public procurement notices through Find a Tender. It will also become the central resource for suppliers to identify new public sector contracts.

The service will replace the requirement to publish notices in the Official Journal of the European Union. (OJEU).

The Government Commercial Function has published information on public sector contract opportunities in the UK, on the new Find a Tender service (FTS): <https://www.find-tender.service.gov.uk/Search>

GOODS RECEIVED AND PAYMENT OF INVOICES

Goods Received Notes and Payment of Invoices

All deliveries must be checked by the person who ordered them (the requisitioner), or by a suitable alternative member of staff. Deliveries are checked against a Delivery Note/Goods Received Note, prior to authorising the delivery and payment via Civica Financials Live (note this will authorise an invoice payment). Where a service has been provided, this will also need to be Goods Receipted to confirm that the service has been completed satisfactorily. Where a physical Goods Receipt Note is received, this should be signed and retained for audit purposes.

The Department responsible for the ordering will, wherever possible, contact the supplier should any goods be missing or damaged. Any invoice will be held in a suspense file pending the matter being completed satisfactorily.

Invoices received will be input to Financials Live, and an automated check/match will be carried out to the order and goods received note to check that the amount and values match. Where there is discrepancy invoices will not be paid until resolved. Where there is no discrepancy, the invoice will be paid at the due date.

Invoice lines that are different than the requisition value will be processed with the following filters:

Where an invoice is below a materiality limit of £20 less or more than the requisition line cost finance may process the invoice for payment without contacting the requisitioner.

Where a contingency amount has been entered for example travel costs and the amount is below the requisition and by greater than the materiality limit it will still be processed.

Where invoices are greater than the materiality limit different, they will be forwarded to the requisitioner for approval by email.

Where requisitions have been raised for estimated amounts that are taken by direct debit (E.g., Energy costs, Water rates etc.) Finance will amend the requisition to the correct amount and process the invoices.

It is vital that goods received notes are correctly administered into the Financials Live system as the matching and alignment to the order where goods received/services received match the order, will generate an invoice to be paid.

Transactional Input of Invoices and Payment Runs

The Finance Department will receipt, record, and input all invoices received in the Civica Financials Live accounting system and post to the relevant school / division, ledger code and cost centre.

Invoices outstanding will be reviewed on a regular basis, normally weekly. A payment run file will be produced based on the due date of invoices and covering the date range to the day before the next planned payment run.

Where goods and services received equal the order placed and the goods received note, and there are no ongoing queries invoices may be processed for payment.

Any supplier requiring a change to bank account details will have a account change form matched to companies house and our bank account confirmation.

Where the account confirmation cannot be obtained (some banks do not enable this feature) a small £1 transfer and get this confirmed by the beneficiary that it has been received before making normal payments.

Payment Processing

The Finance Assistant will create a weekly or fortnightly payment run (BACS) to suppliers.

Payments will be made when invoices are due so within the payment terms agreed, i.e., 7, 14, 21, 30 days or EOM following terms.

The proposed payment run will be passed to the Finance officer for checking and verification.

Following any amendments, the payment run will be submitted to the Finance Director to review and approve on the documents and the bank.

Following his approval, it will be passed to one of the designated authorised signatories for approval of the paperwork and on the bank.

Following the checking and approval by the two authorised signatories the BACS run will automatically be released and sent to BACS for processing.

DataPlan, as our payroll provider have delegated authority to generate BACS payments for the various elements of the payroll including net pay, HMRC, Teachers Pensions, Local Government Pensions etc.

In addition, Faster payments, will be set up to cover any urgent transactions that need to clear that day. This is a similar process to the BACs run but with the finance assistant setting it up as faster payment not BACs.

SALES INVOICING AND DEBTOR MANAGEMENT

Raising Invoices:

Invoices are generated by the Finance Department on receipt of authorised information from schools or ventures within the trust. A separate invoicing system is used for lettings at schools where the volume of lettings invoicing is deemed substantial.

Credit control policy and debtor management

Each month the Finance Director will review outstanding debtors and determine the next steps necessary to resolve any outstanding debts and present as part of the management accounts review with the Chair of Trustees. Depending on the reason for non-payment different responses will be implemented. These will range from raising a credit note where we have either over charged or not delivered a complete service to starting legal proceedings.

Note - The following is an extract from the 2022 Academy Trust Handbook regarding - Write-offs and entering into liabilities: -The delegated limits, are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction.
- Cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous two financial years.

CAPITAL

Capital Spending

Individual items, or groups of items, purchased (excluding consumables) above a value of £1,000 and a useful economic life exceeding one year, will be classified as fixed assets and depreciated in line with the Depreciation Policy.

Purchase of Assets and Depreciation Policy

Assets purchased and capitalised at a value of greater than £1,000 will be depreciated on a straight-line basis on the cost of tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for asset depreciation are:

- Freehold buildings 2%
- Long leasehold property 0.8% to 2%
- Plant and machinery 10%
- Furniture and equipment 20%
- Computer equipment 33.33%

Assets in the course of construction are included at cost. Depreciation on assets is not charged until they are brought into use.

ASSET MANAGEMENT AND ASSET REGISTER

The assets register is a list of items capitalised under the trusts capitalisation policy above.

The register may contain, groups of assets where an individual asset does not have a sufficient value, but the combination of a number of the same assets within the same category or room would be of sufficient value.

On an annual basis, the IT Asset Register will be updated with additions and disposals and the Trust's Asset Register will be updated periodically or as and when significant changes in additions or disposals occur.

A physical check of assets contained within the Asset Register will be undertaken annually, in line with the procedure agreed by the Finance Director and will include all assets within a maximum of a 5 year period.

The asset register records the date of purchase, and other relevant information relating to the individual assets.

DISPOSAL OF ASSETS

During the annual, physical check of fixed assets, any discrepancies will be taken into account when producing the financial statements. Any adjustments will be reported to the Audit Committee.

Disposal of items with larger net book values will require approval as below:

- Up to £1,000 Headteacher
- £1,000 - £10,000 CEO
- £10,000+ Audit Committee

Writing off any individual asset above a Net Book Value of £45,000 will require the permission of the Secretary of State.

In the event of theft or criminal damage to any Trust property, details must be notified immediately to the Finance Office, or Finance Director (CFO). The member of staff, or more usually the CFO, will report the incident to the local police and obtain a crime report number, which is a requirement of the insurance claim procedures. The Finance Office will process the insurance claim form and liaise with the Police, Insurers, and any other parties to ensure prompt settlement of the claim.

The excess position of any claim will vary dependent upon the nature of the claim.

VAT

As an Academy the Trust is registered for VAT (Section 33b) and will make monthly VAT claims to HMRC using the "Making Tax Digital portal" through Financials Live.

AUDITORS

The appointment of external auditors will be reviewed periodically in accordance with Trustees' instructions, as part of the Audit and Risk Committee

A recommendation from the committee for change will be made to members as required.

Auditors are appointed and/or changed by the Members based upon recommendations made by officers of the Trust, Trustees, past auditor performance.

INSURANCE

Insurance Elements

Insurance services are reviewed periodically in accordance with the Board of Trustees' instructions.

Insurance (as detailed below) is provided by the Department of Education's Risk Protection Arrangement (RPA).

- Employer's Liability
- Third Party Liability
- Professional Indemnity
- Material and property damage
- Business Interruption
- Trustees' liability
- Money
- Personal Accident
- Legal expenses
- Foreign Travel
- Trust educational visits

QBE is the Insurance Company for the Trust and has arranged the following cover (as this is not provided via RPA)

- Engineering inspection
- Minibus(es)

Insurance Claims

Details of any claim, or potential claim, MUST be notified to the CFO immediately, who will contact the Police to obtain a crime report and crime reference number if applicable. (a requirement of the insurance claim procedure).

The claim form will be processed by the finance team.

Details of excesses are available from the Finance Office, who will monitor to ensure that valid claims only are submitted.

SOLICITORS

The appointment of Solicitors is reviewed periodically in accordance with Board of Trustees instructions. Current solicitors are Stone King (2020).

The Trust currently has a retainer service with Stone King which covers the first 1 hour of any new advice.

The CEO is the only member of staff that can authorise work under the retainer. Through the CEO authorisation may be given to CFO, HR Manager to access this service.

Trustees, through the Chair, may from time to time, as appropriate need to obtain direct advice from solicitors without authorisation from the CEO (if possible, CFO should be aware for payment of invoices).

EX-GRATIA PAYMENTS

Before any Ex-Gratia payment may be made, a detailed report must be submitted to the ESFA for their authorisation,

APPENDIX ONE

Mileage and subsistence rates

- Rates for casual users using employee's own car (employees must ensure their insurance includes "business" cover)
- £0.45 pence per mile for mileage up to 10,000 miles per annum. An additional 5p per mile is payable if a colleague is travelling with you.

Subsistence:

Employee subsistence rates	Upper limits
One meal (5 hour) ceiling	£5
Two meal (10 hour) ceiling	£10
Three meal (12 hour) ceiling	£15
24 hour ceiling	£20

The period of absence is defined as the elapsed time from leaving home or normal operating base to return.

APPENDIX TWO

Hospitality

Dealing with Gifts and Hospitality

In general, the acceptance of gifts and hospitality should be avoided.

In certain cases, gifts may be accepted, however, where the value exceeds £25 they must be entered onto the trust gifts register, which will be maintained by the Finance Director. The register must be reported to trustees on an annual basis.

In general, the following statements apply:

Staff, Trustees and Governors must not make use of their official position to further their private interests or those of others.

Gifts of low intrinsic value (up to £25) such as promotional calendars or diaries, or small tokens of gratitude, can be accepted. If there is any doubt as to whether the acceptance of such an item is appropriate, individuals should decline the gift or refer the matter to the trust Finance Director.

It is common for appreciative parents and pupils to register their thanks for the work of staff in the form of a small personal gift. If these are valued at less than £25 these are acceptable and these will not need to be recorded in the register. Where gifts valued over £25 are accepted, these should be recorded in the register.

Where a more valuable gift, benefit or service is offered which is to the good of the Trust, rather than an individual, it must be referred to the Finance Director to be recorded in the register.

Hospitality such as working lunches, coffees etc. are perfectly acceptable where it is appropriate to offer or receive these in support of good relationships with visiting staff or business colleagues. Modest hospitality, provided it is reasonable in the circumstances, should be similar to the scale of hospitality which the Trust as an employer would be likely to offer. These would not be added to the register. Hospitality received above this level should be recorded in the register.

If a member of staff, Trustee or Governor is offered a gift or hospitality whilst involved in the procurement of goods and services, tenders for work or when liaising with anyone conducting business with the Trust (other than light refreshments) it should be declined.

If not accepting a gift would be regarded as causing offence (such as a sudden and unexpected gift or one where refusal could cause cultural offence) the item should be accepted. The matter should then be brought to the attention of the Finance Director as soon as possible who may decide to return the gift or use the gift for Trust business. These items must be recorded in the register.

Gifts are sometimes offered by suppliers with the purchase of items. All such special offer gifts are the property of the Trust and must be used accordingly.

Responsibility

The Audit and Risk Committee is responsible for the review and authorisation of this statement which shall be included in the Trust's Finance Manual.

Each School's Senior Leadership Team is responsible for its implementation and for ensuring that all staff are aware of the existence of this statement.

All employees are expected to follow the terms of this statement and any breach could lead to disciplinary action and may constitute gross misconduct.