



**Outwoods Edge
Primary School**

Every Child. Every Day. Every Future.

Finance Policy & Procedures 2024/25

To be read in conjunction with the following policies;

Charging and Remissions Policy

Anti-Fraud and Bribery Policy

Whistleblowing Policy

Agreed at F&P Meeting: 18th November 2024

Review Date: Summer Term 2025

Outwoods Edge Primary School

Company number 08188239
Incorporated 22nd August 2012

Academy UPIN: 122669

DfE No: 855/2169

Outwoods Edge is not registered for VAT.

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Introduction

Outwoods Edge Primary School is both an exempt charity and a company limited by guarantee. The guiding document is the Charity Commission Statement of Recommended Policy (SORP). The school must also abide by Company Law.

This finance policy provides a code of practice to be followed in the financial management and conduct of the school and safeguarding of its resources. It stands alongside guidance from the Education and Skills Funding Agency in the Academies Financial Handbook and the most recent Accounts Direction. The Headteacher and school business manager will supplement this framework with such administrative procedures and instructions as they deem appropriate.

Governance

Roles and Responsibilities of governing body, headteacher, and other staff

The governing body is responsible for the strategic management of the school and of the budget; for setting financial priorities and seeing that the budget is managed effectively.

The governing body carries out its financial responsibilities through the finance and general purposes committee, which meets at least termly (usually more often). This committee reports to the governing body. Meetings are convened by the headteacher in consultation with the chair of the committee. The terms of reference and membership are set out below. They are reviewed annually.

Initial approval of the annual budget is the responsibility of the governing body and cannot be delegated to a committee.

Individual governors do not incur personal liability in the exercise of their power to spend the school budget provided they act in good faith, because the governing body is a corporate body. Insurance is in place and provided by LCC.

The headteacher is a member of the finance and general purposes committee and is closely involved in the strategic work it performs. He/she is the Accounting Officer for the Academy Trust. He/she is also responsible for the day to day running of the budget and for ensuring that financial regulations are followed.

The leadership team comprises the head, deputy head, assistant head and school business manager. As a group the leadership team make an input into the budget, particularly through the school development plan. Individual members of the leadership team may be asked to countersign documents. The head, and deputy head have access to Access Finance. The head, deputy head and assistant head are all signatories on the bank mandate, with the SBM having online access to release payments but not as a signatory.

The school business manager (SBM) is the Chief Finance Officer and is responsible for preparation of the annual budget and annual accounts, for completing returns for the Education and Skills Funding Agency (ESFA), for insurance, payroll and pensions and for accurate maintenance of the finance and personnel information management systems. Under the guidance of the headteacher he/she calculates projections and draws up a budget based on the priorities of the school development plan, under the guidance of the finance and general purposes committee. He/she reports to the headteacher to monitor expenditure and income patterns. He/she also reports the current position to the finance and general purposes committee. The school business manager has a role in

evaluating levels of expenditure to ensure that best value is obtained. The school business manager may share any of these tasks with the **Assistant Business Manager**. With the support of the accountants, the school business manager is responsible for complying with SORP.

The **finance assistant** and **admin assistants** are responsible for processing the majority of orders, invoices and payments, for receiving and receipting all income received in the school office, and for maintaining accurate financial information regarding school meals, in addition to other tasks delegated by the school business manager. They also administer pay claims and process changes to employment contracts. It is the responsibility of the Finance assistant in processing invoices, to check the invoice against the purchase order, checking two signatures are obtained on the purchase order and investigate any discrepancies. If these are resolved satisfactorily, they may proceed to pay the invoice. Significant discrepancies (ie above £5.00 in value) should be referred back to the budget holder and signed off by the business manager.

Finance and general purposes committee remit and membership

Membership of the finance and general purposes committee for the academic year 2024/25 is Jeni Bramley (Chair), Ben Lane, Kulraj Bhangra, Sam Hayes & Tom Burt

Purpose

To provide guidance and assistance to the governing body in all matters relating to finance, budgeting and all aspects of school development with respect to health, safety and premises. The FGP committee also serves as the audit and risk committee, and has responsibility for staffing matters as shown in the staffing and pay committee terms of reference which are shown in Appendix E.

Frequency: Once a term - more if needed

Quorum: Three Governors

Requirements

1. To consider levels of indicative funding, over a three-to-five-year period, and the impact on the Academy.
2. To receive and make broad recommendations on the annual budget.
3. To present the annual budget to the governing body.
4. To monitor and review income and expenditure and report the financial situation to the governing body each term, making recommendations and accounting for action taken.
5. Liaise with the other committees so that they understand financial priorities and constraints.
6. Contribute to the formulation of the school development plan.
7. Review financial statements
8. To review and approve the finance policy and procedures, charging policy, accounting and premises policies.
9. To receive reports from school staff on financial matters, e.g. insurance.

10. To receive reports from school staff on premises and health and safety matters.
11. To agree arrangements for internal and external audit and appoint auditors, and report to the full governing body on the school's internal control framework and management of risk.
12. To lead and monitor the school's risk management activities, review and manage the risk register, recommend and agree risk mitigations and review the Risk Management Policy.

Signed minutes are uploaded to the shared drive by the clerk to governors

Financial limits of delegated authority

The budget is divided into cost centres (e.g. energy, maths, teaching salaries) which are put into cost centre groups (e.g. salaries, curriculum, premises costs). The finance and general purposes committee has delegated authority from the governing body to vire between cost centre groups, including contingency, and the headteacher has delegated authority to vire between cost centres within a group.

The governing body is responsible for setting levels of expenditure:

- a) above which their approval is needed.
- b) above which 3 quotes must be obtained.
- c) above which tenders must be sought.

They are also responsible for establishing the procedures for obtaining quotes and tenders.

The current levels set are as follows:

- a) The headteacher may, without the specific authorisation of the finance and general purposes committee, spend any amount which does not cause expenditure to exceed the cost centre limit, subject to points b) and c) below.
- b) Where the value of the purchase exceeds £10,000, a minimum of three quotes must be obtained. The headteacher will decide which of these quotes should be accepted, and will notify the Chair of Governors before the purchase is made if the lowest quotation is not accepted.
- c) All purchases estimated to exceed £50,000 must be put out to competitive tender. The specific details of the procedure will be determined by the finance and general purposes committee when the occasion arises.
- d) If the lowest quotation for a tender is not accepted, the reason must be reported to the finance and general purposes committee and recorded in the minutes.

Register of business interests

The governing body has established a register of business interests of all governors, the headteacher, members of the senior management team and all budget holders. This is reviewed annually and is open to examination by governors, staff, and parents. A list of declared interests is made available to finance staff, and published on the school website.

Fund accounting

The SORP requires academy finances to be reported in at least three funds: restricted general fund, restricted fixed asset fund and unrestricted fund. These have been set up on ~~FMS~~ Access Finance, with an additional fund for the pension reserve.

Financial Planning

The financial year runs from 1st September to 31st August. The budget from the Education and Skills Funding Agency (ESFA) is received by the end of March. In the summer term a detailed budget for the following year and outline budgets for the following two years are drawn up, approved by governors, and reported to the ESFA by 31st July on the Academies Budget Forecast form. This requires an estimated split between September to March and April to August to facilitate incorporation in the Whole of Government Accounts (WGA).

Link between School Development Plan and budget

The School Development Plan sets out the educational goals agreed by the school and the steps that will be taken to reach these goals. It covers an academic year and is the starting point for constructing the budget. A more strategic plan setting goals for the next five years guides long-term financial planning.

The School Development Plan states intended expenditure on objectives and priorities, new initiatives and continuing commitments.

School improvement is a cyclical process. A review of current priorities will take place in the summer term, with new priorities being set for the next academic year. The budget implications of these initiatives will be discussed by the finance and general purposes committee within the general discussion that takes place regarding the annual budget. An outline figure for curriculum development will be agreed as part of the final budget presented to the governing body, and the headteacher will allocate this to individual curriculum areas if required before the beginning of the new academic year.

Policy on surpluses

If at the end of a financial year any cost centre has a surplus, this surplus will fall into a central pot for redistribution the following year. The only exceptions to this rule are;

- when orders have been placed in good time before the year end but through circumstances beyond the school's control the goods are received and therefore must be paid for in the new financial year.
- When there is a balance in specific grants (eg pupil premium) or funds raised for a specific purpose (eg SEN Hub) that are being carried forward into the next year.

These commitments should be taken into account when making allocations to cost centres in the new financial year.

Approving the budget

The annual budget is drawn up by the school business manager after discussion with the finance and general purposes committee and in consultation with the headteacher. It is submitted first to the finance and general purposes committee for scrutiny and then to the full governing body for approval. This will usually be on the agenda of the last governors meeting of the summer term preceding the new financial year.

Budget Monitoring

Monitoring the budget

The school business manager is responsible for on-going monitoring of the budget against monthly profiles and annual allocations. He/she reports to the headteacher highlighting any areas of concern and any potential savings.

The finance and general purposes committee requires a report for each meeting showing the current position and the expected outturn at the year end. This is shown by means of a spreadsheet which is based on an accompanying Access finance report. This is provided by the school business manager and is accompanied by explanatory notes and recommendations.

Monthly management accounts consisting of balance sheet and income and expenditure statements are prepared and uploaded monthly to the shared drive for all governors to view.

Monitoring the SDP

The School Development Plan informs the budget, so monitoring of the budget includes monitoring expenditure on School Development Plan initiatives. The SDP includes details of who is responsible for monitoring that each initiative is carried out.

Monitoring devolved budgets

There are no individual budget holders for cost centres this year and all orders and invoices are approved by the head in the first instance with a second signatory from the leadership team.

Cash flow forecasts

Outwoods Edge receives funding from the ESFA monthly by direct credit to the bank account. It is the school business manager's responsibility to ensure that the school does not go overdrawn. Any anticipated problems with cash flow should be discussed with the Education and Skills Funding Agency.

Purchasing

Staff at Outwoods Edge should consider price, quality and fitness for purpose when purchasing goods and services. Please see section headed 'Financial limits of delegated authority' for purchasing rules.

Leases

Approval from the ESFA should also be sought before entering into any leasing agreement.

Ordering

All orders must be placed through the Access finance system.

The majority of orders will be submitted to the office on an internal order form, showing clearly who is placing the order and the cost centre which is bearing the expense. Forms must be signed by a member of leadership. In times of school closure, an authorising email from the email address of the head may be substituted.

The school business manager/assistant business manager or Finance assistant will then raise a Access order, which will be signed by a member of the leadership team which differs from the first signature to ensure there are always 2 signatures on any purchase order raised.

Orders will not be placed by phone except in emergencies after obtaining an order number from the school business manager, and will be confirmed in writing as soon as possible.

The school has a debit card for use by the Business manager, Assistant Business Manager and Finance assistant for when ordering over the internet. This is stored securely and can only be used in the school offices. Other members of staff wishing to purchase goods or services from a website must give details to the Finance assistant, Business manager with a properly authorised internal order form. Any orders placed on the internet must either be invoiced to the school for payment or paid using the school's debit card. An account in the school's name should be set up with internet suppliers. A VAT invoice must be obtained, where appropriate.

Official orders must not be used for private purposes.

If the school purchases through Amazon or eBay any account should be in the school's name. All transactions should be properly authorised beforehand in line with the school's normal authorisation procedures. Purchases should be made from reputable traders only. A VAT invoice or receipt should be obtained where relevant. The school Amazon account may not be used for personal purchases.

Receipts

All deliveries will be checked against the order on arrival and any discrepancy will be investigated promptly with the suppliers. The delivery note must be initialled and dated by the person who checks the order off and then placed in the front of the purchase order folder ready for processing.

Invoices

All invoices for goods received will be checked by the finance staff. A delivery note or other proof of receipt will be attached and prices checked against the order. In the case of services or non-order invoices, the invoices will be stamped and carry 2 signatures from the leadership team. In times of school closure, an authorising email from the email address of the head may be substituted. A second signature for approval must be obtained from a member of leadership team before the invoice is processed.

When staff are satisfied that the invoice is correct, provided that the purchase has been authorised at some stage by a member of the leadership team, and that the invoice matched the order, it may be paid. If either of these conditions are not met, it must be authorised by a member of the leadership team before payment. This may be the school business manager provided another member of the finance staff processes the invoice. Authorised invoices are processed for payment by the finance staff, and paid within the credit terms on the invoice.

Invoices are filed in BACs run order in a file in the office. Charge card and pelican statements are filed in a separate folder.

All income and expenditure should be charged to the financial year in which the school received benefit from the goods or services.

Payments

Payments are made by online BACS payments, debit card. The school holds cheques in a secure location should they be required.

All cheques must be signed by at least two people as set out in Appendix A. If the value of the cheque is over £6,000 one of the signatories must be the Chair of Governors.

Online payments – if a company sends through a change of bank details for online payments, finance staff must phone the company, on the contact details previously held by the school, to check this is genuine, as this is a common area for fraud. Only after this check has been made and recorded can the new details be entered on the system – file in suppliers’ file. On authorising a payment run, the authoriser will pick out a random sample of suppliers to check their bank details against the invoice and mark those checked, concentrating specifically on any that have been changed recently.

Increasingly it is anticipated that the school will pay suppliers using online payments. Payments will be set up on Lloyds corporate online by the finance officers and authorised as follows:

- A payment run with a total value below £10,000 will be authorised by one signatory
- A payment run with a total value of £10,000 or above will be authorised by two signatories
- A payment run which includes a payment of over £6,000 to a single supplier will be authorised by two signatories as above and the Chair of Governors will also sign off the paperwork. It is not necessary for the CoG to sign off an invoice over £6,000 if the original Purchase Order has been countersigned by them.

BACS payment limits

- £0 - £6,000 – 1 approver to release payment (2 signature obtained as per bank mandate)
- Over £6,000 up to £200,000 2 approvers to release payment (background limit per BACS payment is £40,000 on a 3 day rolling period)

A list of authorised signatories is shown at Appendix A

Goods or services ordered over the internet may be purchased using the school’s debit card. This is stored securely and may only be used in the school office.

Internal Controls

Description of financial systems and procedures

Outwoods Edge Primary School uses Access accounting package as part of an integrated information management system. All financial transactions are recorded in Access.

The Friends of Outwoods Edge carry out fundraising for the school. However, their funds are accounted for by the FOEPS committee, in particular the Honorary Treasurer, and only come within the school’s control when a donation is made for a specific purpose. This is then administered through Access as part of the official funds.

Training and staff absence cover

Outwoods Edge recognises the importance of staff development for all staff and will seek to provide relevant training as necessary to equip members of staff to carry out the tasks assigned to them. This training may be provided internally, locally, by LEAMIS (software support team) or by other providers as appropriate.

The office is staffed by a number of part-time staff who between them can cover the absence of any one of them. The exception is the financial reporting that the school business manager undertakes.

In the case of long-term absence of the school business manager, other arrangements could be made, for example employing the Group Bursar Service or seeking support from other LPAP schools. Advice in such instance could be sought from the accountants.

Division of responsibilities

At Outwoods Edge we have endeavoured to ensure that as far as possible more than one person is involved in each financial transaction, for the protection of staff against charges of dishonesty and for the protection of the school against fraud. Some examples are shown below:

Manual Orders	Signed by a member of the senior leadership team one of them being the head (or Deputy in his/her absence)	Processed by Finance Officer and official order raised on the finance system.	SBM approves the order online, finance assistant prints official order off and obtains a second leadership signature.
Online Purchase requisitions	Key staff members have the ability to enter a purchase requisition on Access finance once they have had verbal approval from the head. This will remain on the system as a requisition ready to be converted to a purchase order.	Finance assistant converts requisition to a purchase order for the SBM to approve	Official order is printed and signed by the relevant signatures before the order is placed with the supplier.
Income via Arbor	Reconciliation report entered onto Access by finance assistant.	Reconciled against the bank statement by SBM	Bank statement and reconciliation against the finance system is signed off by head
Trips income paid in cash	Receipted by admin assistant and entered as a manual transaction onto Arbor	Checked and reconciled periodically by admin assistant (half-termly as a minimum).	Balancing documents checked and entered onto Access by the finance assistant.
Annual budget	Draft budget prepared by school business manager	Scrutinised by head and finance and general purposes committee	Approved by finance committee and ratified by the full governing body

Retention and security of records

All financial records are kept for a period of six complete financial years in the secure store or a locked cabinet. After this period they will be shredded.

We buy into a remote back-up service for the Access system from LEAMIS. This ensures that there is always a current back-up held off site.

Audit trail

All transactions should be able to be traced from receipt of cash, goods or services through the banking and accounting process to ensure clarity on all occasions.

Any alterations to cheques, invoices and orders should be made clearly in ink and initialled.

Audit

The school's external auditors are TC Group formally Fortus. They carry out a full annual statutory audit.

The risk committee are responsible for the independent checking of financial controls on behalf of the governors. The Academy Trust has employed a third party to carry out an internal audit once a year reporting to the risk committee.

Hospitality and Gifts

Please see the Gifts, Hospitality and Bribery Prevention Policy attached at Appendix D

Financial Irregularities

Any member of staff suspecting that a financial irregularity has taken place should report it in the first instance to the Headteacher or Chair of the Finance and general purposes committee. Please also refer to the school whistleblowing policy.

Any instances of fraud over £5000, systematic fraud or fraud that is unusual in nature must be reported to the Education and Skills Funding Agency.

Income

Charging policy

It is reviewed annually by the governing body finance and general purposes committee.

Lettings

All lettings should be authorised by the headteacher and a booking form completed and retained in the lettings folder.

Collection of income

We are a "Cashless" school and income is collected via the Arbor app the school management information system as a matter of course.

Income received via Arbor is settled to the school bank account weekly. A reconciliation report is run by the finance assistant and the income is entered into Access, allocated to the relevant cost centre codes. This is then reconciled to the bank account by the SBM. On completion of a trip or event, a report summary of all payments is run by the finance assistant for reconciliation.

We do still have the capacity to receive and receipt cash from parents as needs dictate and for charity collections. When cash is received for a specific purpose relating to a child a receipt will be raised by a member of the office staff and a record of the cash payment is made by entering a manual transaction on the Arbor or in the stock book in the case of uniform. Where cash for a trip/event is received from more than one parent the money received may be combined and entered on a single

receipt. The receipt book is initialled as confirmation that the manual entry has been made. Cash received for charity donations and any event that is not child specific will be receipted in bulk. We do not accept cheques. At least two people must be involved in the recording, receipting and banking of income.

The receipt book will be clearly marked when banking to provide an audit trail for the progress of income from receipt to Access and to bank.

Cash should be stored in the safe and banked as a minimum termly. School income should not be used to cash personal cheques.

Debts

Invoices for income due to the school should be raised within 7 - 14 days. Debts not paid within a 30-day credit period will be chased by office staff. If this is not successful, the headteacher will judge whether to proceed with chasing the debt or whether to recommend to the finance and general purposes committee that it should be written off.

The headteacher will sign off class lists for each trip to authorise any cost to the school incurred by parents refraining to make the requested voluntary donations.

Dinner money should be paid in advance of a meal being taken. Office staff will send payment requests to those who have not paid in advance. In the case of significant debts building up, parents will be requested to send their children with packed lunches until the debt is paid. The finance and general purposes committee can write off any debt that cannot be resolved.

Banking

Reconciliation to bank statement

Bank statements are received weekly and are reconciled against the Access system on receipt. Any discrepancy should be investigated and corrected immediately. Finance assistant checks that all items are accounted for and all documentation is attached to the bank statement which is passed to the SBM to reconcile. The headteacher should sign off the reconciliation for each bank statement once they have checked that it agrees with the system print out attached to the statement.

Cheques and Signatories

Manual and computerised cheques are used. Unused cheques are stored in the safe or secure store. Manual signatures are always used. Cheques should not be pre signed.

All cheques must be signed by two people from a list of signatories, one of whom is a chair of governor. Cheques over the value of £6,000 should be signed by the chair of governors unless they have already signed the official purchase order. A list of signatories is attached at Appendix A. School finance staff should not be signatories. Supporting vouchers should be available for inspection by cheque signatories if requested.

Investments and loans

Currently the school has a current account with the Lloyds plc which provides free banking and pays a little interest. High cash balances are put on deposit with Lloyds for limited periods of time to increase the interest earned. The finance and general purposes committee must authorise any new bank accounts or investments.

The school currently has no loans. No loan agreements may be entered without prior agreement from the ESFA.

Banking Procedures

Cash is balanced and banked termly as a minimum. This is sufficient due to the minimal amounts of cash received.

Payroll

Procedures

Outwoods Edge Primary School currently buys into Edupay for our payroll provider services.

Payments to employees should only be made through the payroll, usually through a monthly BACS run, although one-off adjustments may be made by an emergency BACS payment. Individuals who invoice the school must not be paid out of the school bank account, unless an assessment through the HMRC on-line tools for employment and IR35 status supports this.

Certifying officers

When an appointment is made, a yellow 'change in staff details proforma' should be completed and signed by the headteacher or other appointing officer. SBM enters the contract details into Edupay and is checked by the head.

All overtime claims should be authorised by the head in the first instance and then entered onto the Edupay system by the employee which is then approved online by the SBM. Head signs off the monthly claim report.

Access to personnel files

Personnel files are stored in lockable cabinets in the school office. All staff have a right to access their own file, on request to the headteacher/SBM.

List of staff employed

Full details of staff employed can be accessed on the Arbor Personnel module.

Reports of payroll transactions

SBM runs a monthly pay run report for the head to check and sign before, any differences in pay investigated and narrative provided to explain the difference before being passed to the head to check and sign off. Once this has been signed off by head, the SBM releases the pay run to allow Edupay to process the monthly payroll.

Pensions

Teaching staff are entitled to be members of the Teachers Pensions Scheme and non-teaching staff are eligible to be members of the Local Government Pension Scheme. An audit of contributions to the Teachers Pension scheme is carried out each year.

Changes to the Local Government Pension Scheme mean that pension contribution bands are now based on a member's actual pay including overtime, rather than base annual salary as previously. It is the employer's responsibility to ensure this is correct, although in practice it is carried out by our

payroll provider. The following is a summary of the measures they will take to ensure this is done correctly:

- School buys a complete payroll service from Edupay who manage the payments to the relevant schemes ie Teachers and Local government pensions and HMRC.
- Pension banding is governed by the LGPS and Teachers pension schemes with any changes being sent to Edupay to implement.

Expenses Claims (Petty cash is no longer held)

Staff making purchases for school use should, wherever possible, do so via the raising of a purchase order for settlement by invoice or by use of the school credit card (the card should be used in the school office in the presence of other staff members).

Sometimes it is necessary or beneficial for the staff to make a purchase from their own resources and reclaim the funds from school. Reimbursement is made via BACS directly to the staff member's bank account. Staff wishing to claim should present a receipt and a voucher signed by the head and a member of the leadership team, if a purchase is made by a member of the leadership team then 2 further signatures are required. A VAT receipt should be presented to allow the VAT to be reclaimed where appropriate.

The claim is entered onto Access by the finance assistant and passed to the assistant business manager to be included in the next BACS/Cheque run. The paperwork is retained with the BACS run documents.

BACS runs are prepared by the assistant business manager to ensure segregation of duties.

Assets and Security

Inventory

An inventory of ICT equipment is maintained by our IT technician on a spreadsheet. This shows location, serial number and model. Such items should also be security marked. The inventory is subject to an annual check. Any discrepancies revealed by the check should be reported to the governors.

The finance assistant keeps a record of software licences used for the software infrastructure purchased by the school.

There is a record of equipment that is used off site, for example staff laptops.

Disposal of any equipment that is no longer needed, for example it becomes irreparable, obsolete or unsafe, should be authorised by the governors. This responsibility has been delegated to the finance and general purposes committee. It is the responsibility of the ICT technician to record disposals.

Security

Outwoods Edge is protected by security cameras, which are the responsibility of the Premises Officer.

The school gates are kept locked when the premises are unoccupied. The pedestrian gates are also locked during the school day.

The safe is kept locked at all times and the keys kept elsewhere.

The Finance & General Purposes Committee deals with matters of premises security on behalf of the governors.

Insurance

Insurance is taken out through LAIS, the Local Authority Academy Insurance Scheme. The following types of insurance are included in the policy:

- Public Liability
- Employers Liability
- Governors and Professional Indemnity, Fidelity Guarantee
- Property
- Business Interruption
- Money and Computer All Risks
- Works in Progress

Staff absence insurance is purchased elsewhere, renewed annually. A waiting period of 10 days is in force. All teaching staff, SBM, cook and premises officer are covered. Maternity cover is included. All other staff have access to the staff wellbeing support offered by the company but are not covered for absence.

All groups hiring the school premises should have their own public liability insurance to a level of £2 million.

Whistleblowing

Any member of staff who has serious concerns about any aspect of school life, or the conduct of a member of the school community, is expected to raise this matter promptly and in good faith so that it can be investigated.

Concerns can be raised orally or in writing. The seriousness or nature of the issue will influence who you decide to raise it with. It may be:

- The Head, Matthew Peet
- The Deputy Headteacher, Mark Wilson.
- The Chair of Governors, Ben Lane

More information is available in the school whistle blowing policy. Copies of all policies are uploaded to the shared drive for all staff to access.

Accounting policies

Basis of preparing the financial statements

The standard format for the financial statements as required by the Companies Act 2006 schedule 4 part 1 has been adapted to provide more appropriate information which complies with the Statement Of Recommended Practice Accounting and Reporting by Charities' in force from 2019 (Charities SORP 2019) and reflects the activities of the Academy.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2019'), the Academies Accounts Direction issued by the ESFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Accruals

Accounts are prepared on an accruals basis but adjustments are only made for amounts over £500 or if otherwise significant.

Incoming resources**Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Donations

Donations are included in the Statement of Financial Activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

School fund

The Academy runs a school fund which mainly relates to income and expenditure for school trips, Music lessons and school meals. These funds are incorporated within the current bank account.

The transactions are included within the Statement of Financial Activities.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy is recognised in the Statement of Financial Activities at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material. Where the actual cost of the donated service or gift in kind can be ascertained, this is used as the value in the financial statements.

Lettings income

The Academy receives income from letting its facilities to other organisations. This is accounted for on a receivable basis.

Other income

Other income is accounted for on a receivable basis.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Where costs cannot

be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs. The trustees are unable to quantify the value of management time spent in dealing with this area and therefore, no such costs have been allocated to governance costs.

Irrecoverable VAT

Any VAT not recoverable by the Academy is charged to the expense code to which it relates.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- on straight line over 50 years
Fixtures and fittings	- on straight line over 7 years
Computer equipment	- on straight line over 3 years

Tangible fixed assets acquired are included in the accounts at cost or valuation.

No value of land has been included in the accounts as the buildings are situated on land leased from the Local Authority at a peppercorn rent. This lease is for a period of 125 years.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Assets costing less than £1,000 are written off in the year of acquisition.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

A number of assets were transferred from Leicestershire County Council on 1 December 2012 that are still being used by the Academy. These are assets that were principally school furniture and ICT equipment. Due to the nature and age of these assets the trustees are not able to quantify their value at 1 December 2012. Therefore, no entry has been made in these financial statements.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the Academy's objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Academy. Restrictions arise when specified by the DfE and other donors or when funds are raised for particular restricted purposes.

Restricted fixed asset fund

In accordance with the DfE guidelines where funding has been used to acquire tangible fixed assets the cost of the assets have been transferred to a restricted fixed asset fund, as detailed in the notes to the accounts.

Appendix A

Signatories

Cheques (Lloyds)

Two out of four:

Headteacher	Matthew Peet
Deputy Head	Mark Wilson
Assistant Head	Lisa Williams
Teacher	Matthew Law
Governor	Ben Lane (for cheques over £6,000 where an official purchase order has not been previously signed).

On-line payments (Lloyds Commercial Banking)

One for payment run up to £6,000 , two for payment runs over £6,000

Headteacher	Matthew Peet
Deputy Head	Mark Wilson
Assistant Head	Lisa Williams
SBM	Nicola Bedder – can release the payment online providing the appropriate signatures have signed the BACS run report.

Orders

Internal order form	Head or member of leadership team
Official order	Head or member of leadership team.
	Note: 2 signatures are required for the overall procedure.

Personnel forms

Internal yellow 'change in staff details' forms prepared by school business manager or admin assistant. Signed by Matthew Peet (Head) or Mark Wilson (Deputy). Anything relating to the pay of the headteacher, including expenses claims, must be signed by the Chair of Governors.

Claims for supply may be signed by the headteacher, the deputy head or the school business manager.

Claims for extra hours and casual hours prepared by the claimant upla, signed by the head or Deputy Head. In the event of both Head and Deputy being absent from school, but then only if urgent, all personnel forms can be signed by the School Business Manager.

Appendix B**Hire of School Premises
Scale of Charges****Use of hall, grounds and toilets, before 10pm**

Weekdays	First 1.5 hrs	40	Additional hours	15
Weekends	First 1.5 hrs	55	Additional hours	15

Use of hall, and toilets, before 10pm

Weekdays	First 1.5 hrs	35	Additional hours	10
Weekends	First 1.5 hrs	50	Additional hours	10

Grounds and outdoor toilets only, before 10pm

Weekdays	First 1.5 hrs	30	Additional hours	5
Weekends	First 1.5 hrs	45	Additional hours	5

Prices effective from 1/9/2021.

For other combinations of times and rooms, please apply for a price.