

Introduction

1. Purpose

- 1.1 The purpose of this manual is to ensure that the Academy maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of the Active Learning Trust's funding agreement with the Department for Education (DfE).
- 1.2 The Academy must comply with the principles of financial control outlined in the academies guidance published by the DfE. This manual expands on that and provides detailed information on the Academy's accounting procedures and systems. The manual should be read by all staff involved with financial systems.

2. Organisation

The Trust

- 2.1 The Active Learning Trust (the Trust) is governed by a Board of Trustees who are responsible for, and oversee, the management and administration of the Trust and the academies run by the Company. This academy (the "Academy") is one of these academies.
- 2.2 The Trustees are accountable to external government agencies including the Charity Commission and the Department for Education/Education Funding Agency (including any successor bodies) for the quality of the education they provide. They are required to have systems in place through which they can assure themselves of quality, safety and good practice.

Local Governing Body

- 2.3 In order to discharge the Trust's responsibilities, the Trustees appoint people who have a more local focus to serve on a board (the Local Governing Body) which has been established to ensure the good governance of the Academy.
- 2.4 The formal relationship and division of financial responsibilities between the Trust and the Local Governing Body is set out in the Scheme of Delegation.

Headteacher /Principal

- 2.5 Within the framework of the Academy development plan as approved by the Local Governing Body, the Headteacher / Principal has overall executive responsibility for the Academy's activities including financial activities. Much of the financial responsibility is delegated to the Finance Lead / Business Manager but the Principal retains responsibility for:
 - approving new staff appointments within the authorised establishment, except for any senior staff posts which the Local Governing Body have agreed should be approved by them;
 - authorising orders and contracts within limits set out in Appendix 1.

Vice Principal, Deputy and Assistant Headteachers

- 2.6 Appointed deputies will have the authority of the Headteacher / Principal to continue the day to day running of the Academy's financial affairs when the Headteacher / Principal is

unable to do so. At any other time, the appointed deputy may authorise payments as set out in Appendix 1.

- 2.7 Appointed deputies will also undertake such other duties or responsibilities relating to financial matters as may be required of them by the Headteacher / Principal. In exceptional circumstances or in an emergency situation, additional authority may be obtained from the Chair of Governors and the Chair of the Finance / Resources Committee acting jointly.

Business Manager – if appointed and delegation from Local Governing Body minuted

- 2.8 The Local Governing Body and Headteacher / Principal have designated the Business Manager to discharge the following responsibilities:
- The management of the Academy's financial position at a strategic (with the Principal) and operational level.
 - The management of effective systems of internal control.
 - Responsibility for the management of staff appointed to undertake duties involving any aspect of the Academy's finances.
 - Initiating consultations with the Chair of Governors and/or the Chair of Finance / Resources Committee on any significant and exceptional financial circumstances or any financial matter that is causing concern. He/she will also report;
 - Any failure in any material respect of any member of the Academy staff to comply with these procedures
 - Any circumstances which could adversely affect the Academy's finances
 - Any matter of serious concern in relation to the Academy finances
 - The management of the Academy's financial position at an operational level.
 - Authorise orders/purchases of individual items not exceeding the limits set out in Appendix 1.

Lead Finance Officer / Finance Officer

- 2.9 The Lead / Finance Officer is responsible in accordance with his or her job description, this manual and the EFA's Academies Financial Handbook for specific operational duties relating to the Academy's financial systems and procedures.
- 2.10 The Lead / Finance Officer is responsible for the day to day management of the Academy's funds and budgets. They are also responsible for the discharge of the following responsibilities:
- The management of the school's financial position at an operational level. (Lead Finance Officer only)
 - The management of effective systems of internal control
 - The placing of orders and the processing of invoices
 - Manage and authorise petty cash transactions up to the level set out in Appendix 1.

In undertaking these responsibilities, the Lead Finance Officer must operate within the financial controls set out in this manual including, in particular, the separation of duties described in Appendix 13. In all cases where the Lead Finance Officer is managing a transaction there is a requirement for the transaction to be authorised by a second person (known as the authorising officer) and for a record of the authorisation to be retained for audit purposes.

Other Staff

- 2.11 Other members of staff, primarily finance assistants and budget holders, will have some financial responsibilities and these are detailed in the following sections of this manual.
- 2.12 All staff are responsible for the security of Academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Academy's financial procedures.
- 2.13 Budget holders may authorise orders/purchase of individual items not exceeding the limits set out in Appendix 1. A full list of budget holders, nominated by the Principal as responsible for monies allocated under their control will be held by the finance office and be available for scrutiny by the Trust and its approved auditors. The list of budget holders is listed on the site specific sheet.

3. Register of business interests

- 3.1 It is important for anyone involved in spending public money or who has a role in decision-making that leads to spending, to be able to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise, all Academy governors and staff are required to declare any financial interests they have in entities or individuals from whom the Academy may purchase goods or services, or to whom the Academy might provide services." The register is open to public inspection.
- 3.2 No governor or employee of the school may use their connection with the school to offer payments under terms which are preferential to those that would be offered to an individual or organisation with no connection to the school. All goods and services will be procured through an open and fair process as set out in Section 13 of this manual.
- 3.3 Where goods or services (other than services provided under a contract of employment) are provided by individuals or organisations connected to the school, the school will pay no more than the cost price, i.e. there will be no element of profit included in the charge.
- 3.4 Governors will not be paid for acting as a governor.
- 3.5 The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the Academy. The disclosures should also include business interests of close relatives such as a parent or spouse, and business partners where influence could appear to be exerted over a governor or a member of staff by that person.
- 3.6 The existence of a register of business interests does not detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the Local Governing Body or a committee. Where an interest has been declared, governors and staff should not attend that part of any committee or other meeting.
- 3.7 A copy of a form for the disclosure of a pecuniary interest is attached at Appendix 2. The register is held by the Clerk to the Local Governing Body and will be published on the school's website