



BRENTFORD SCHOOL FOR GIRLS

FINANCE POLICY – GOVERNORS

<i>Rev</i>	<i>Date</i>	<i>Description</i>
	<i>May 2027</i>	<i>Next review due</i>
8	May 2025	Reviewed
7	May 2023	Reviewed
6	October 2020	Reviewed
5	October 2019	Reviewed
4	October 2018	Reviewed
3	October 2017	Reviewed
2	October 2016	Reviewed
1	October 2015	Initial version

Responsibility of the trustees of Brentford School for Girls, Academy Trust:

The Board of Governors of the Academy Trust has wide responsibilities under statute and regulations, charity law and the Funding Agreement, which are not repeated in this policy but must be read in conjunction with. However, it is specifically responsible for ensuring that the Academy Trust's funds are used only in accordance with: the law; the Governors powers under the funding agreement (including the academy trusts articles of association, which set out the powers of the Academy Trust and its governance arrangements); and the Academies Financial Handbook, all of which have been used to help produce this policy.

Governors intend for this policy to ensure that spending:

- Is used for the purposes intended;
- provides for probity in the use of public funds to be demonstrated;
- affords value for money.

1. Academy Trust's Accounting Officer

Brentford School for Girls designated Accounting Officer will be the Headteacher. The Accounting Officer will be personally responsible to Parliament and to the Accounting Officer of the ESFA for the resources under their control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge.

The Accounting Officer will advise the Governors in writing if, at any time, in their opinion, any action or policy under consideration by the governing body is incompatible with the terms of the Handbook or Funding Agreement. Similarly, the Accounting Officer will advise the Governors in writing if the board appears to be failing to act where required to do so by the terms and conditions of the Handbook or Funding Agreement.

The Academy Trust Accounting Officer, under the guidance of the Governors, will ensure that appropriate oversight of financial transactions is in place.

As part of the annual report, the Accounting Officer will produce a statement on governance, regularity, propriety and compliance. This is a formal declaration by the Academy Trust that they have met their personal responsibilities for the resources under their control during the year. It will include a responsibility to ensure that public money being spent is for the purposes intended; a responsibility to ensure that appropriate standards of conduct, behaviour and corporate governance are maintained when applying funds under their control; a responsibility to ensure good value for money and for the efficient and effective use of all the resources in their charge. A review of the Accounting Officer statement will be included within the remit of the Academy Trust's external auditors.

2. Academy Trust's Chief Finance Officer

Brentford School for Girls designated CFO will be the School Business Manager; the accountants however will support this role. Alliotts will prepare the annual accounts, offer advice with regard to monitoring the budget and consultants from Strictly Education will assist

in the preparation of monthly management accounts. Alliotts are to be used for both the preparation of accounts and auditing purposes.

3. Internal Audit

3.1 Extended assurance

The Academy Trust has appointed Alliotts Accountants – Guildford to act as the responsible officer with regard to performing the task of independent checking of financial controls, systems, transactions and risks.

3.2 Audit committee

The Audit Committee will convene as necessary at the end of the Premises and Finance Committee meeting to deal with and consider matters relating to internal control and auditors. This will appear as a separate item on the agenda and staff will not be entitled to take part in this agenda item. In particular, the Committee is to:

- advise the governing body on the adequacy and effectiveness of the Academy Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money);
- review the statement on internal control and make appropriate recommendations to the governing body;
- advise the governing body on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit);
- monitor the effectiveness of auditors, including the use of auditor performance indicators;
- ensure effective coordination between auditors;
- ensure that additional services undertaken by the auditors is compatible with the audit independence and objectivity;
- agree the work programme of internal audit including the checking of financial controls, systems, transactions and risks;
- consider the reports of the auditors and, when appropriate, advise the governing body of material controls issues;
- monitor the implementation of agreed audit recommendations;
- ensure that all allegations of fraud and irregularity are appropriately investigated and controls weaknesses addressed;
- recommend the annual financial statements to the governing body for approval
- review the committee's membership and effectiveness on an annual basis to ensure that it has appropriate skills and relevant experience.

4. Investigation of fraud and irregularity

Governors along with the Accounting Officer are responsible in making sure that prevention of loss through fraud and irregularities do not occur. The Academy Trust must be aware of the risk of fraud and irregularity to occur within the school and they will, as far as possible, address this risk in their internal control and assurance arrangements.

All instances of fraud or theft committed against the Academy Trust, whether by employees, governors or third parties, above £5,000 will be reported to the ESFA. Any unusual or systematic fraud, regardless of value, will also be reported.

5. **Internal Financial Control**

5.1 **Bank Accounts:**

Arrangements have been made for the Academy Trust to bank with National Westminster. All staff with responsibility or access to these accounts will undergo any checks asked for by the Bank on opening these accounts (money laundering etc.), or indeed if new staff join the Finance Department. Governors will be notified of any discrepancies, as necessary.

Checks on Governors and staff that have successfully been completed are as follows: -

Terri George - Governor, Marais Leenders - Headteacher, Melanie Baldy – School Business Manager and Agi Piela – Senior Finance Officer

Day to day operation of the bank account(s) will be designated to the following members of staff, Marais Leenders - Headteacher/AO, Melanie Baldy - School Business Manager/CFO, Agi Piela - Senior Finance Officer. It will be their responsibility to ensure that bank accounts, financial systems and financial records are operated in line with this policy.

5.2 **Banking arrangements, BACS and direct debits**

The school holds three bank accounts with National Westminster.

- 1 The Main Account - where all official money and bills are paid from. Financial year to run from 1 September - 31 August. This account is also linked to a high interest deposit account which will be used to earn additional income on funds that are not required on a day to day basis and it is hoped that sufficient interest will be earned to pay for any bank charges incurred. An automatic transfer arrangement has been set up to allow maximum interest to be earned with a minimum balance of £25,000 being kept in the main account and transfers occurring overnight.
- 2 The School Amenities fund (this account deals with income from school visits, dinner money and school uniform etc.). Financial year to run from 1 September to 31 August.
- 3 The Charities Account - Financial year to run from 1 April - 31 March.

All accounts will be checked and certified by the Academy Trust Accountants - Alliotts (Guildford)

The approved signatories to all accounts will be any two of the following for main account and school Amenities fund:-

1. Head Teacher – Marais Leenders
2. School Business Manager – Melanie Baldy

3. Senior Finance Officer – Agi Piela

The approved signatories to the Charities Account will be any two of the following (one must be a trustee):

- 1 Chair of Governors - Terri George
- 2 Head Teacher – Marais Leenders
- 3 School Business Manager – Melanie Baldy
Senior Finance Officer – Agi Piela

Monthly reconciliation between the bank account, IRIS/SCO and reconciliation of cash flow will be designated to a Finance Officer but can be performed by the Senior Finance Officer for the Official funds and the Finance Officer responsible for the Amenities Fund. Any irregularities will be notified to the Headteacher and Governors and if relevant to the school's accountants. In cases of fraud/theft the ESFA, Bank and if appropriate the Police will also be contacted.

Although the school is predominately cashless, there are occasions when for instants charity events are held when cash will be collected. Any cash collected, for payment into any account, is to be stored in the safe, in the finance office, until such time as it can be paid into the bank. Where possible, two members of staff are to be present when money is paid in and for security reasons no regular time or pattern should be adopted for paying money in.

6. Financial Planning

6.1 Preparing the Budget

Brentford School for Girls will prepare financial plans to secure its short-term and long-term financial health.

The annual budget will reflect the priorities indicated in the School Improvement Plan, discussed with the appropriate committees and details forwarded to the ESFA. Governors will also be notified of any significant changes to the approved budget so that it may consider and decide whether to approve them, these changes, if appropriate, will also be notified to the ESFA.

The approval for the budget is given to the Full Governing Body. The approved budget must be signed off by the Chair of Governors or Vice Chair, if not available and sent to the ESFA by the designated date.

6.2 Monitoring the Budget

The Premises and Finance Committee will meet as required but at least once a term. The School Business Manager shall produce monthly management accounts, and these will be circulated to all members of the Premises and Finance committee via Governorhub.

6.3 Virement

The Governors give authorisation to the Head Teacher to vire money between budget headings within the same group (for example Staffing/Premises etc.).

Virement of between £10,000 and under £20,000 from one budget heading to another must be discussed and the approval of the Chair of the Premises and Finance committee obtained. Virements of £20,000 and over must have full Premises and Finance committee approval and be minuted. Below £10,000 can be vired at the discretion of the Headteacher.

Authorisation is given to the Head Teacher to allocate up to £5,000 from the contingency fund. Allocation of up to £10,000 must have permission of the Chair of the Premises and Finance committee and any amount over £10,000 must be discussed and approved at a Premises and Finance meeting and be minuted.

Any virements between bank accounts to be agreed and signed for by another member of the Finance Team other than the one that performed the transfer.

6.4 Cash Flow

Monthly reconciliation, between the bank statement and IRIS software, is performed by the Senior Finance Officer and details of money available in the bank account, to be checked by the School Business Manager on a monthly basis. Any discrepancies will be reported to Governors as soon as possible.

6.5 Petty Cash

The maximum that can be held at any one time as Petty Cash is £1000. This money is to be stored securely in the school safe. The Head Teacher is given full responsibility to increase this amount and Governors to be informed at the first opportunity.

The maximum cash payment to any one member of staff is £50. Any sum higher than £50 to be paid by BACs. Waiver forms to be completed should the need arise to alter this amount on any one transaction and Governors authorisation to be sought at the first opportunity.

Petty Cash accounts will be checked at every transaction by the Finance Officer and once a month by the Senior Finance Officer and once a year by the School Business Manager.

6.6 Department Budgets

All staff with a specific responsibility for a subject/or area will be issued an appropriate amount of money to run their department/area for a financial year. Any money to be transferred from one year to the next will need to be authorised by the Headteacher. Although Governors give delegated responsibility for this funding to be used by the individual teachers, there is a high expectation that propriety, prudent and economical use is made of money allocated for specific subjects or projects. Any misuse of funds will be dealt with most severely and could lead to disciplinary actions.

A termly status report will be given to subject leaders/area leader and any discrepancies to be notified as soon as possible to the School Business Manager. Reprographics will normally be charged monthly by journal transfer. Overspends can only be authorised by the Head Teacher and Governors will be notified through Management Accounts.

6.7 Purchasing Goods

ALL purchase orders have to be generated through the finance department and staff (other than the finance team) who order goods/services are ordering in their personal capacity and will be liable for the balance due.

All purchase order requests MUST have the budget holder's authorisation (signature) before requesting the finance department to process the order. Email notification will be taken as authorization even if there is no signature as long as their school email address is used. All orders to be signed by a member of the finance team or senior member of staff before being sent out.

All orders, where possible, should be processed through the IRIS software by the Finance Officer. All telephone orders and 'order form' orders **must** be performed by a member of the finance team (finance officer) and will be given an order number for which a manual purchase order will be created for filing purposes.

Goods, when delivered should be checked against orders by subject leader/area leader with any discrepancies notified to the finance office within 48 hours of goods being delivered. The Finance Office will then contact the suppliers to determine the appropriate recourse (credit note/additional delivery).

All invoices should be addressed to the finance team (NO other staff). If by chance an invoice is delivered to another member of staff (other than finance) it is imperative that the invoice is delivered to finance as soon as possible so the supplier can be paid.

7. Record of Equipment

All equipment purchased by school with a value in excess of £1000 **must** be marked with the school address for identification and security and added to the Asset Management Register. It is the responsibility of all staff purchasing equipment to make sure that equipment is marked and on the register and kept in a locked cupboard, drawer or room when not in use. Equipment will not be insured if this procedure is not followed. The Asset management register will be looked at annually by either the Site Manager/IT Manager and School Business Manager and a full stock take of all other equipment will occur every three years.

Any piece of equipment that is no longer required by the school will be removed from the asset register and Governors informed at the first opportunity. Every effort will be made to sell the equipment if it is safe to do so and all money raised in this manner will be paid back into school funds for future use. Should the article be worth in excess of £1,000 and cannot be sold then the school will seek Governors approval to donate them to a charity.

8. Staff Salaries and Tax Affairs

Currently the school has appointed an external company to process HR/Payroll and to work on the school's behalf with regard to paying staff salaries. They will be responsible, under the school's instruction, to pay staff salaries via BACs each month in a timely fashion, deduct and forward PAYE tax collected to the Inland Revenue, deducting and administering pension

contributions for both support staff and teachers and completing end of year returns as appropriate.

9. VAT

As the school's income is currently under the limit to be registered for VAT it will maintain details of VAT numbers within IRIS software from companies that it purchases goods from so that this VAT can be reclaimed monthly in line with ESFA guidelines from HM Customs and Excise.

10. Insurance

For the forthcoming year the School, as discussed with the Governors, has decided to opt into the ESFA RPA (risk protection arrangement). Any insurance not available via this arrangement will be sought from an external competitive Insurance Broker. Insurance cover will include Employer's liability, Public liability, all risk insurance, and school travel insurance. A full list of all school equipment will be kept for insurance purposes.

11. Gifts and Hospitality

Governors agree for hospitality to be offered in school at the discretion of the Headteacher. An annual amount of money will be allocated within the budget for such events.

As recognition of outstanding commitment to a specific project or event, the Leadership team is given authority to present to staff and students a small token of their appreciation in the form of a gift in recognition of this outstanding work. The member(s) of staff and student(s) will be nominated by members of the leadership team and names of students and staff recorded in the minutes of the SLT weekly operational meeting. Gifts for staff not to exceed £10, such as a gift voucher or chocolates, for students a voucher or book token. However long serving staff will be presented with a gift in recognition of their long service and the amount to be determined by the Headteacher.

Gifts to Governors or staff offered as an incentive to purchase from specific suppliers are not to be accepted. However, Governors do accept that occasionally, usually at Christmas, parents and some companies may wish to purchase presents for individual staff as a means of saying thank you and as long as this gift is given in good faith and not for preferential treatment then these gift can be accepted. If the gift is of significant value (above £30) then staff should notify the Headteacher immediately and this will be recorded.

12. Liabilities and write-offs

Following the preparation of the annual accounts Governors will be informed of any 'writing off debts and losses' in line with ESFA guidelines and beyond those limits will inform the ESFA and seek to obtain approval from the Secretary of State.

13. Fees and Charges

All fees, for chargeable services are as laid down in the schools 'Charging and Remissions Policy', however Governors may include an additional rate of return when in a commercial

environment such as lettings. These fees and charges will be determined in accordance with Chapter 6 of HM Treasury's "Managing Public Money"

14. Government procurement card – One Card

Items purchased using this card can only be made by the Finance Department so it is important that Senior and Middle leaders make sure that correct details are supplied so that no errors can occur. The one card will not be issued to a member of staff to use either on or off site and will be locked securely in the finance office at all times.

Any text books ordered for the specific purpose of selling/lending to students must be recorded and a log of who has been sold/lent a book. If a deposit is retained until the book is returned this must be paid by using the online system SCOPay, no cash can be accepted.

All final purchase order requests for the current financial year must be provided to the finance office by the deadline provided, typically the last week of June. Requests after that date will not be processed until September at the start of the new financial and academic year.

For all purchases for the new financial year, budget holders will be informed when orders can be placed however delivery must be at the beginning of September.

15. Staff severance payments and compensation payments

The Governors, if considering making a staff severance or compensation payment will follow current guidelines as laid out in the Academies Financial Handbook.

16. Novel and contentious transactions

Novel payments are those in which the Academy Trust has no experience; or are outside the range of normal business activity. Contentious payments are those which might give rise to criticism of the Academy Trust by the public or the media. As it is difficult to be specific about what might constitute novel or contentious payments; the Academy Trust will use its judgement and seek prior ESFA approval/guidance as to whether or not the payment should be made.

17. Managing surplus General Annual Grant (GAG)

The Academy Trust, as part of the budget planning process, will make every effort to spend their annual GAG. As limits on the amount of GAG that can be carried forward have been lifted, only in exceptional circumstances will any GAG be carried forward and this usually will be for long term capital projects. Explanations around why this grant has not been spent will form part of the Premises and Finance termly monitoring process. Governors and School are fully aware that this grant is intended to benefit current pupils and therefore the Governing body and school will endeavour to have a clear plan as to how this grant will be spent. When budget forecasts are sent to the ESFA the school will declare any unspent funds expected to be carried forward at the end of the financial year. This, in turn, will be checked by the ESFA when the annual account is verified.