



#equippedforlife

The  
Westgate School

# Financial Management Policy

**Date Updated**

**January 2023**

**Date Approved**

**Date for Revision**

**April 2023**

**Approved by**

**Full Governing Board**

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**Introduction**

The purpose of this procedure 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 our funding agreement with the Department for Education (DfE).

The academy must comply with the principles of financial control outlined in the Academies Financial Handbook. This manual expands on that and provides detailed information on the academy's accounting procedures and should be read by all staff involved with financial systems.

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## **Section 1: Organisation**

### **The Governing Body**

## Governing Body – January 2023

Susan Watts	Chair of Governors
Charlie Paterson	Vice Chair of Governors
Michelle Cooper	Head teacher
Inderjit Dhillon	
Tina Glennie	
Zarrin Hamid	
Swapna Jare	
Asif Khan	
Amy Miller	
Mason Woolwich	
Neelam Talewar	
Sam Harrison	Parent
Clare Moulder	Parent
Bhamini Lynn	Parent
Andrea Thelwell	Staff
Audrey Ditton	Staff
Nick Lilley	Staff

The Governing Body has overall responsibility for the administration of the academy's finances. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the academy and the DfE and in the academy's scheme of government. The main responsibilities include:

- Ensuring the funding is used for the purpose intended
- Approval of the annual budget
- Appointment of Head Teacher/Accounting Officer
- Appointment of Finance Manager/Chief Finance Officer in conjunction with the Head Teacher
- Appointment of auditors
- Review and approval of the annual report and accounts

### **Business Committee**

Much of the day-to-day financial management and monitoring is delegated to the Business Committee within the detailed terms of reference. The main responsibilities of the Business Committee include:

- Review, of the annual budget and proposal to Governing body for approval
- Regular monitoring of income and expenditure against budget. Including reporting of any significant budget amendments
- Ensure compliance with the Finance Policy and academies Financial Handbook
- Ensuring the annual accounts are produced in accordance with the Academies Financial Handbook.
- Consultation on awards of contracts over £50,000.
- Ensure a strategic financial view of income, staffing, other expenditure and capital projects.
- Appointment of Internal Scrutiny assurance providers
- Review of reports from the Internal Scrutiny providers on the effectiveness of the financial procedures and controls.

- Review of the annual report and accounts and recommendation for approval to the Members and Governing Body

### **Head Teacher**

The Head Teacher is appointed as the Accounting Officer; the Head Teacher has overall responsibility for the Academy, including financial activities. Much of the financial responsibility is delegated to the Finance Manager but the Head Teacher still retains responsibility for:

- Ensuring regularity and propriety
- Ensuring prudent and economical administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resources
- The day-to-day organisation, staffing and management of the academy

### **Finance Manager**

The Finance Manager is appointed as the Chief Finance Officer. The Finance Manager works in close collaboration with the Head Teacher and is responsible to attend the governing body Finance, Audit and Risk committee meetings.

The main responsibilities are:

- Day to day management of financial issues including staffing and operation of the finance system
- The management of the academy financial position at a strategic and operational level within the framework of the Finance Policy and Academies Financial Handbook
- Ensuring the annual accounts are properly presented and supported by the financial records and systems
- Preparation of interim financial reports
- Ensuring the required returns are sent to the Department for Education in line with timetables

### **Internal Scrutiny**

The internal scrutiny assurance team is appointed by the governing body to provide the governing body and finance committee with on-going independent oversight of the academy's financial affairs and assurance that:

- The financial responsibilities of the governing body are being properly discharged
- Resources are being managed in an efficient, economical and effective manner
- Sound systems of internal control are being maintained
- Financial considerations are fully considered in reaching decisions

### **Other Staff**

The finance team have specific responsibilities for the accurate maintenance of the academy finance systems, records and compliance with the Finance Policy and Academies Financial Handbook. The specific responsibilities are detailed in individuals' job descriptions.

Budget holders have financial responsibility for managing within their delegated budgets and ensuring best value.

### **Register of Business Interests**

- It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all academy governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the academy may purchase goods or services. The register is open to public inspection.
- The register should include all business interests such as directorships, shareholdings 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 relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person.
- The existence of a register of business interests does not, of course, detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the 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

### **Scheme of Delegation**

The Governing Body of The Westgate School have reviewed the delegated powers of expenditure for key personnel.

### **The Governing Body: (through sub-committees then submitted to full governors for approval where specified)**

- Each sub-committee chair may request authorisation from the Finance, Audit and Risk committee for the purchase of specific goods or services up to the value of £50,000.
- The Business Committee should approve expenditure above the sum of £50,000 in any one transaction following prior discussion with the Head Teacher for recommendation to the full Governing Body.
- Major expenditure items, such as capital building works should be approved in advance of orders being raised.
- Tenders should be sought for works above £50,000.
- Each sub-committee may recommend virement of original budget allocation, within their area, up to a limit of £50,000 without approval from the full Governing Body. Virement of budgeted funds over the sum of £50,000 must be authorised by the full Governing Body.

### **Head Teacher:**

- May authorise orders up to the value of £30,000 where prior approval from the governors is not required or does not come within the remit of the governing body.

### **Deputy Head Teacher:**

- May authorise orders up to the value of £20,000 or in the absence of the Head Teacher up to £30,000.

#### **Finance Manager:**

- Must make sub-committee chairs aware of any major items of expenditure that do not require the sub-committee prior approval.
- May authorise orders up to the value of £10,000.
- For goods and services valued between £5,000 - £10,000 three competitive quotations should be sought wherever possible and approval by the Head Teacher or governing body should be gained before placing order.

#### **Departmental budget holders:**

- May authorise **preliminary** order requests up to the value of their capitation, provided this does not exceed £1,000 in any one transaction. Orders for goods/ services above this value must be firstly discussed and approved by the Finance Manager (with reference to the Head teacher if necessary).

Where it is stated “authorise” purchases in respect of value exceeding £10,000 are discussed and approved at budget stage. If purchases exceeding this limit are made after the budget stage, then the above will apply on a case-by-case basis.

#### **Powers of Limitation:**

All payments are made by BACS where possible. When this takes place the Head Teacher prints and checks the report, this is then double checked by the Finance Manager, and signed off by the Deputy Head Teacher.

If a cheque is required, then the following will apply:

#### **Cheque Signatories**

Two signatories required for every cheque

The Chair of Governors may sign any cheque as a cheque signatory

Up to £3,000	Finance Manager and Head Teacher or Deputy Head
£3,000 to £10,000	Head Teacher and Deputy Head (with power to delegate to Finance Manager in the event of staff absence/ unavailability)
£10,000 to £50,000	Head teacher and Deputy Head
£50,000+	Head Teacher and Chair of Governors

Cheque signatories as of January 2023

M Cooper	Head Teacher
T Crossingham	Deputy Head Teacher

## Financial Responsibilities – Transfer Authority

Individual responsibilities for financial affairs are documented within these procedures and are familiar to those concerned. It is stressed that these alternative procedures are for use only in exceptional circumstances. In the absence of any of the primary staff detailed below, the secondary staff may act in their place.

Each occasion is specifically agreed in writing by the Head Teacher, or in their absence, by the Chair of Governors, where necessary copies are to be sent to interested parties, such as the bank.

All secondary staff are to make themselves aware of their role by reference to the appropriate procedures listed within this document.

### Primary

Chair of Governor

Head Teacher

Deputy Head Teacher

Finance Manager

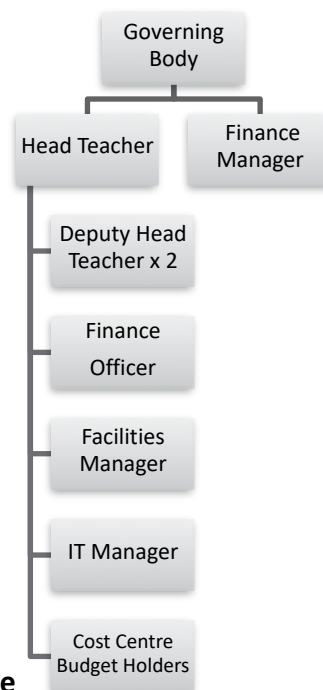
### Secondary

Head Teacher

Deputy Head Teacher

Finance Manager

Finance Officer



### Financial responsibility structure

#### Budget Holders (January 2023)

MRS E SWIFT

MRS Z KHAN

#### Financial Personnel

Miss L Taylor - Finance Manager

Mrs D Searle – Finance Officer

MR N WEBLEY  
MRS N JELLIS  
MISS S AUGUSTUS-LAKE  
MRS S CHOPRA  
MR N HART  
MISS K FRANCIS  
MRS M MULLIGAN  
MR D JURY  
MISS N YATES  
MR R ELVERY  
MS N ROOT  
MRS A THELWELL  
MR J WARD  
MS N SIDDIQUI  
MR R CLARK  
MRS F CHOUDHURY  
MRS H CORBY  
MRS M COOPER  
MR T CROSSINGHAM  
MRS A DITTON  
MRS S ASHRAF  
MRS K GREEN  
MISS R YOUNG  
MISS E BENNETT

Mrs Y Alam – Finance Officer

## **Section 2: Accounting system**

All the financial transactions of the academy must be recorded on the Civica Resource 3200 accounting system. The academy payroll is administered by PayRite. From April 2023 both facilities will be upgraded. Iris Financials will be used to implement the DfE Chart of Accounts thereby standardising the reporting Academies present. Payroll will be fully managed by PayPlus, this will ensure all statutory requirements are met. Once implemented this procedure will be updated accordingly.

### **System Access**

- Entry to Civica Resource 3200 is password restricted and the Finance Manager is responsible for implementing a system which ensures that passwords are changed should they be compromised.
- Access to the component parts of Civica Resource 3200 can also be restricted, the Finance Manager will set access levels for all members of staff using the system.

### **Transaction Processing**

- All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the manual. Bank transactions input by the Finance Assistant should be checked and reconciled by the Finance Officer whilst carrying out the monthly reconciliation.
- Detailed information on the operation of Civica Resource 3200 can be found in the user manuals held in the Finance Office.



## **Reconciliations**

The Finance Officer is responsible for ensuring the following are reconciled each month:

- sales ledger control account.
- purchase ledger control account; and
- bank balances per the cash book to the bank statements.

Any unusual or long outstanding reconciling items must be brought to the attention of the Finance Manager. The Head Teacher will review and sign all reconciliations as evidence of review. Any reconciliation performed by the Finance Manager will be countersigned by the Head Teacher.

## **Section 3: Budgets**

### **Budget construction**

The Head Teacher is responsible, with the Finance Manager, for the detailed preparation of the annual budget. In doing this they will consult with other members of staff to ascertain detailed requirements.

The Business Committee will determine the overall sum within which the budget must be set, and the amount of any anticipated balance to be carried forward into the following financial year.

In constructing the budget, the Head Teacher and Finance Manager must take account of priorities identified in the School Development Plan and incorporate the costs of these in the budget.

Priorities identified in the School Development Plan must always be costed where possible. The budget expenditure total must not exceed the amount of the income total plus or minus any balances brought forward from the previous year. If it appears that this cannot be achieved, the Head Teacher and Chair of Governors must inform the Department for Education immediately this becomes apparent.

The Finance, Audit and Risk Committee must meet in the Spring term to consider a broad budget strategy, and again in the summer term to consider and approve the detailed budget. The full Governing Body must subsequently approve the full budget, and minute this approval. The approved Governors' Budget must then be submitted to the Department for Education in accordance with the timeline required.

In constructing the detailed budget, factors the Head Teacher and Finance Manager must take account of and include: -

- changes in pupil numbers
- changes in overall and specific funding
- flexibility of use or ring-fencing of funding
- current and previous year's expenditure levels at individual budget heading levels
- School Development Plan priorities
- staff pay awards and increments
- anticipated price inflation
- changes in the staffing complement
- Government changes to NI contributions
- Changes to pension contributions
- changes in the supply of services (gas, electricity, water etc.).

- facilities development
- IT resources

### **Budgetary control and monitoring**

The Head Teacher and Finance Manager are responsible for regular, detailed control of the school budget. To achieve this, they will analyse monthly reports from the school's accounting system. Such reports shall show, for each budget heading: -

- total budget for year
  - total commitment and expenditure to date.
  - Variances
- ✓ All staff must contribute to best value and the efficient running of the school by maximizing efficiency and minimising waste (e.g., heating, lighting, telephones).
  - ✓ All staff should ensure that all school facilities, equipment and resources are taken good care of.
  - ✓ Teachers should ensure that students are properly prepared for all exams and qualifications for which they have been entered.
  - ✓ Payroll expenditure data must be entered promptly each month on to the school's accounting system.
  - ✓ Other, non-pay, expenditure must be reconciled promptly on a monthly basis to the school's accounting system by the finance team.

When the accounts for each financial year are closed, a final statement from the school's accounting system must be presented to the next meeting of the Finance, Audit and Risk Committee.

### **Development Plan**

The development plan is concerned with the future aims and objectives of the academy and how they are to be achieved; that includes matching the academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.

The form and content of the development plan are matters for the academy to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the DfE.

Each year the Head Teacher will propose a planning cycle and timetable to the Governing Body which allows for:

- review of past activities, aims and objectives - "did we get it right?"
- definition or redefinition of aims and objectives – "are the aims still relevant?"
- development of the plan and associated budgets – "how do we go forward?"
- implementation, monitoring and review of the plan – "who needs to do what by when to make the plan work and keep it on course"
- feedback into the next planning cycle – "what worked successfully and how can we improve?"
- The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Head Teacher.
- The completed development plan will include detailed objectives for the coming academic year. The plan should also include the estimated resource costs, both

capital and revenue, associated with each objective and success criteria against which achievement can be measured.

- For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to a member of the Senior Leadership Team (SLT). The responsible manager should monitor performance against the defined success criteria throughout the year and report to the SLT on a quarterly basis. The SLT will report to the Governing Body if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

### **Finalising the Budget**

Once the different options and scenarios have been considered, a draft budget should be prepared by the Finance Manager for approval by the Head Teacher, the Finance, Audit and Risk Committee and the Governing Body. Later, a final budget should be approved in the same way. The final budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

### **Section 4: Payroll Administration**

- The monthly academy payroll is administered by the Finance Manager.
- New staff can only be added to the payroll with the express approval of the Head Teacher and notified to the Finance Manager. New staff must complete all relevant payroll documents issued by the HR Officer. Failure to do this may result in non-payment of salary. In these circumstances, the salary payment may not be made until the next payroll run in the following month.
- Salary amendments can only be made with the express approval of the Head Teacher and notified to the Finance Manager.
- Staff can only be terminated from the payroll with the express approval of the Head Teacher and notified to the Finance Manager.
- Payment for sickness or maternity must be authorised by the Head Teacher in line with the employment contract for the individual.
- Where leave of absence is discretionary, payment can only be made with the express approval of the Head Teacher and notified to the Finance Manager.
- Staff who are paid on submission of a timesheet must complete and return their timesheet to the Finance Office by the second working day of each month. Failure to do this may result in non-payment of salary by the Academy. In these circumstances, the salary payment may not be paid until the next payroll run in the following month. Timesheets are then authorised by the Finance Manager or Deputy Head Teacher.
- The Finance Manager is authorised by the Governing Body to make all mandatory changes to the payroll without further authority e.g., Tax, NI and pension contribution rates, tax code changes, attachment of earnings.
- Any amendments are to be requested by the Finance Manager by e-mail. It is important that these amendments are reviewed after they have been processed through the payroll system. All payroll records are to be kept, in month order, in a secure storage and retained for a period of 7 years.
- Access to personnel, payroll and payment records is to be restricted to staff members involved directly in the administration of these functions. When not in use, such information is to be kept in secure storage.

### **Payments**

- After the payroll has been processed but before payments are made, a print of salary payments for everyone should be downloaded from PayRite. The print must be reviewed and authorised by the Finance Manager.
- All Salary payments are made by BACS.
- Payslips are issued electronically to paid employees on the day salary payment is made into bank/building society accounts.
- The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, national insurance contributions and pensions. The amounts payable is summarised on a printout. PayRite pay deductions from salaries to the relevant bodies by the due date.
- After the payroll has been processed the Finance Manager will update the nominal ledger with the payroll costs for the month.
- Payments of Superannuation and statutory deductions will be made by PayRite out of this account on the dates laid down by the pension providers and HMRC.
- The Finance Manager will be responsible for ensuring the school's compliance with year-end returns to Customs and Excise (if any).

### **Starters/variations/leavers**

All changes to staff must be advised in writing to the member of staff by the Head Teacher, with a copy to the Finance Manager and PA to Head Teacher. Forms for: -

- setting up new employees and new contracts on the payroll
- effecting variations to pay
- taking existing employees off the payroll

The information from the forms is then entered onto PayRite (FMP payroll software) by the Finance Officer or Finance Manager.

### **Time sheets**

All time sheets submitted by a member of staff must be checked by the Line Manager and then authorised (signed) by the Finance Manager, or in their absence, the Head Teacher. Authorised time sheets must be sent directly to the Finance Manager.

### **Checking of payroll data**

Payroll data must be scrutinised by the Finance Manager and Finance Officer, in conjunction with the payroll provider, to ensure all employees are recognised, pay appears reasonable and for the accuracy of pay calculations.

### **Pay-related expenses**

All pay-related expenses must be processed through the payroll system. Pay-related expenses must never be paid via petty cash, or by the creditor payment system.

## **Section 5: Purchasing**

## **Ordering**

- School procedures for purchasing should ensure that purchases are as required and are only for valid school purposes.
- Orders must be approved by the appropriate budget holder on an official school requisition form. The orders should then be processed by the Finance Office team. The official order produced from the finance system must be authorised on the system by the Finance Officer, Finance Manager or Head Teacher before it is sent to the supplier. If an order has been placed over the telephone by the finance team an official order number will be given, and the invoice will be checked against this number. Alternatively, official confirmation of the order must be sent as soon as possible afterwards, e.g., by email.
- The IT Manager must always be consulted before ordering any computer equipment.
- Official orders must not be used to procure goods for private purposes.
- Records of all official orders placed must be retained on file at the school by the finance team.

When placing orders, it is the responsibility of the initiator to ensure that the following is adhered to: -

## **Quotations/tenders**

For orders for goods/services under £50,000:

- £1,000 - £10,000 - at least three prices to be examined and retained, these prices may be taken from suppliers' written or verbal quotations or catalogues/price lists.
- £10,000 - £50,000 - independent written evidence of at least three prices must be obtained and retained. Independent written evidence means quotations provided on suppliers' headed notepaper.

For orders for goods/services over £50,000.

- Tenders must be invited in accordance with specific Standing Orders. from at least three appropriate contractors, or
- by open competition by advertisement in local newspaper or appropriate journal.

For contracts over £1,000,000

If the school wishes to place a contract worth over £1,000,000 (for the lifetime value – not just a single year) European purchasing rules apply, and the Business committee and Finance Manager should review the detailed requirements.

## **Governor involvement**

Governors delegate the responsibility for adherence to the above requirements to the Head Teacher and Finance Manager. As well as ensuring that the above requirements have been adhered to, it is the responsibility of the Head and Finance Manager to ensure that Governors are consulted in the following circumstances: -

- Review of quotations obtained where estimated costs exceed £50,000.
- Review of quotations when the lowest quote is not the most suitable or when the prerequisite number of quotes could not be obtained.

In such circumstances the Governors should formally authorise a waiver of the regulations, either prior to the purchase or retrospectively, if necessary.

### **Receipt of goods**

Once items ordered have been received, the Budget Holder must ensure that items delivered, correspond to details contained in the delivery note. Upon examination of goods the Budget Holder must also ensure that both quality and quantity are appropriate.

### **Invoice check and authorisation**

Invoices received must be checked to both copy orders and delivery notes to ensure that invoices relate to goods ordered and delivered. Invoices should also be checked for arithmetical correctness. All invoices must be certified for payment by the Budget Holder before being passed for payment (or the Finance Manager in the Budget Holder's absence). Invoices passed for payment must be recorded promptly in the school's accounting system by the finance officer.

### **Petty Cash**

Day to day operation of the petty cash account is the responsibility of the Finance Officer. All petty cash expenditure, and reimbursement income, must be promptly recorded in Civica Resource 3200.

Each time a reimbursement claim is submitted, the finance officer must complete a reconciliation ensuring that cash expended, plus cash in hand or at bank, equals the amount of the advance.

All members of staff who wish to purchase goods or services from the petty cash account must present vouchers (receipts, paid invoices etc.) and authorisation from the relevant budget holder to the Finance Officer when reclaiming cash from the account. These vouchers must be retained by the Finance Officer and returned with the reimbursement claim. All petty cash claims must be countersigned by the Finance Officer. In normal circumstances individual purchases from petty cash must not exceed £50. Amounts above this sum, up to a maximum of £250, should only be in exceptional circumstances and with prior approval of the Finance Manager. Such payments should be for emergencies only and should not simply result from a lack of planning.

All cash and cheque books held must be retained securely.

### **Credit Card**

Governors have authorised the use of two school credit cards. The cards are for the use by Finance Team and the primary card is in the name of the Deputy Head Teacher.

The overall account credit card limit is £11,000; any changes in the limit will be implemented by the Finance Manager, following consultation and approval by the Head Teacher.

The additional card to the Head Teacher (limit £3000).

The primary credit card must be kept securely, ideally in the safe, and only taken out when required.

A detailed record of expenditure must be kept for all purchases.

Care must be taken with all internet purchases, including purchasing only from known, trusted, reliable and reputable suppliers and only from sites adopting the internet security protocol <https://>

The credit cards must be settled in full each month; it must not be used as a line of credit.

The Finance credit card will be held in the name of the Deputy Headteacher. The credit card may only be used by the Finance Manager and Finance Officer/Assistant. The Finance Officer is responsible for reconciling the monthly expenditure. Any items which do not have detailed record of expenditure or do not appear to be for bona fide school purposes must be immediately reported to the Finance Manager and Head Teacher and fully investigated immediately.

The Finance Manager will authorise all purchases made on the credit cards. The Head Teacher will authorise all purchases made on the credit card by the Finance Manager. The Finance Manager will carry out a monthly check on a sample of the transactions. The credit card transactions will be posted monthly onto the finance system

## **Section 6: Income**

### **Official Capitation**

The main sources of income for the academy are the grants from the DfE and from Slough Borough Council. The receipt of these sums is monitored directly by the Finance Manager who is responsible for ensuring that all grants due to the academy are collected.

The academy also obtains income from:

- students, mainly for trips and uniform
- lettings to the community, mainly for use of sports facilities
- Donations

### **Student Income**

- A lead teacher must be appointed for each trip to take overall responsibility for the trip and should involve the Finance Office with costing the trip from the outset. The Finance Office must prepare a record for each student intending to go on the trip showing the amount due.
- Students should make payments for trips and uniform to the Finance Office via Main Reception, or by ParentPay. A receipt must be issued for all payments made via Reception. All payments made via ParentPay will generate an email receipt.
- The Finance Officer should maintain an up-to-date record for each student showing the amount paid and the amount outstanding.

### **Lettings Income**

- The Finance Officer will generate a monthly invoice for any lettings.
- The Finance Office will be responsible for chasing outstanding debts.
- No debts should be written off without the express approval of the Head Teacher (the DfE's prior approval is also required if debts to be written off are above the value set out in the annual funding letter).
- Organisations using the sports facilities should be instructed to send all payments to the Finance Office.

### **Donations**

Donations from any sources must be acknowledged by the issue of an official receipt to the payer. Donations should be properly recorded into the appropriate income budget. All donations must be banked promptly and intact.

## **Other income**

All income used to offset expenditure (e.g., lettings, photocopying, sales of work) must be paid into the Academy bank account and coded to an appropriate income code. Monies received from any sales of school equipment must similarly be paid into the Academy bank account.

## **Section 7: Cash Management**

All income received (cash or cheque) must be banked promptly and intact. No payments may be made from income collected. A record to evidence the banking must be kept (e.g., stamped paying-in slip). Bank accounts are reconciled weekly by the Finance Officer.

See also, purchasing for treatment of credit cards and petty cash.

## **Banking Arrangements**

The Westgate School will hold separate accounts for Public and Private Funds, however they may both be operated through the same banking provider for the sake of convenience

As the School is a Statutory Charity under Schedule 12 of the Education Reform Act 1988, any accrued interest should be paid gross and credited to the appropriate current account.

DfE EFSA regulations forbid the school to borrow money. Accordingly, accounts are not to be overdrawn in aggregate or incur overdraft charges.

The school currently holds accounts with Lloyds Bank

Bank address: 113 High Street, Slough, SL1 1DH

Sort code: 309773

Account Numbers:

The Westgate School: 39351560

The Westgate School  
(Private funds): 39351968

## **Note**

The school has the Governors authority to use a high interest earning account depending on cash flow.

The Finance Manager will contact the bank relationship manager to ensure that levels of limits are appropriate. Any changes to limits will be notified to and approved by the Governing Body.



All accounting records will relate to the above numbered accounts using the Civica system.

Cheques raised for cash may be drawn up to a value of £500 as a weekly limit on each account.

Paying in books and cheques for The Westgate School account will be issued by Lloyds Bank. Cheques in relation to The Westgate School and Private funds will be pre-printed and securely issued by Kalamazoo Ltd. Any unused cheques will be stored in the school safe.

### **Procedure to deal with unpresented cheques**

All cheques should be checked for accuracy (date, signature, payee, etc)

If a cheque is returned from the bank, then a letter must be sent to drawer immediately requesting CASH payment as replacement or it may be re-presented if advised by the bank.

On receipt of CASH, a receipt will be issued and sent to drawer.

### **Section 8: Asset register**

All items purchased with a value over the academy's capitalisation limit of £1000 must be entered in an asset register. The asset register should include the following information:

- asset description
- asset number
- serial number (if available)
- date of acquisition
- asset cost
- expected useful economic life
- depreciation
- current book value
- location

The asset register is recorded in Civica Resource 3200.

The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets
- enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- to manage the effective utilisation of assets and to plan for their replacement.
- help the external auditors to draw conclusions on the annual accounts and the academy's financial system
- Support insurance claims in the event of fire, theft, vandalism or other disasters

### **Depreciation**

Depreciation on assets is as follows: -

- Freehold Buildings 50-year straight line
- Motor Vehicles 7-year straight line

- Plant & Machinery 10-year straight line
- Furniture & Equipment 5-year straight line
- Computer Equipment & Software 3-year straight line

No depreciation is provided on freehold land. Depreciation on assets during construction is not charged until they are brought into use.

### **Security of assets**

- Equipment must be secured by means of physical and other security devices.
- All the items in the register should be permanently and visibly marked as the academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Finance Committee. Inventories of academy property should be kept up to date and reviewed regularly.

### **Disposals**

- For asset items of a value between £100-£999, approval must be sought from the Head Teacher or Finance Manager prior to being disposed of by sale or destruction. Items of over £1000 must be approved by the Business Committee, and where significant, should be sold following competitive tender. The academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid. If disposals within one financial year (September-August) collectively originally attracted grant of more than £20,000 then the academy must inform the DfE.
- Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the academy would need to ensure licenses for software programs have been legally transferred to a new owner. Approval must be gained from the Head Teacher prior to any items being offered to staff.
- The academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested, then the academy must repay to the DfE a proportion of the sale proceeds.
- All disposals of land must be agreed in advance with the Secretary of State.

### **Loan of Assets**

- Items of academy property must not be removed from academy premises without the authority of the Head of Department. A record of the loan must be recorded in the loan record book and booked back into the academy when it is returned.
- If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a "benefit-in-kind" for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.

## **Section 9: School Fund (Private Funds)**

A separate bank account will be held for movement of private funds.

Cheque signatories remain as in the main school fund and powers of limitation also remain the same.

The computer system Civica has been set up to allow separation of private fund accounting.

Monies received, including, donations and contributions to the school are banked in the School Fund account. Receipts are issued by the Finance Officer and money banked by them on a regular basis. Entry of receipts is made onto the computer by the Finance Officer.

Procedure for the issue of cheques is a replication of the cheque payment system through public funds. Cheques may be generated through the computer system and pre-printed cheques will be raised and attached to computer generated information.

The administration of the School Fund is supervised by the Finance Manager.

Staff are not permitted to operate bank or building society accounts for School purposes.

Pupils' cash may not be replaced by a personal cheque.

Private funds are subject to external audit and a balance sheet should be produced at year end, separating private from public funds.

Purchases relating to curriculum through public funds can genuinely be reimbursed from private funds (e.g., lockers, uniform), thus enabling the school to benefit from the reimbursement of VAT – see VAT file.

The use of private funds is to be determined by the Head Teacher.

## **Section 10: Contracts**

### **Catering:**

- The school catering services are provided by Cucina.
- The contract is monitored by the Facilities Manager and is reviewed once a year (March). Regular meetings will be held by the Facilities Manager and Cucina representative to assess quality control.
- The school does not collect any monies on behalf of Cucina. The caterers will provide a safe for the storage of monies collected which will be in the canteen area in the caterer's office.
- Cucina will submit a 30-day net monthly invoice in arrears, which is accompanied by supporting documentation.

- The school operates a cashless catering system. The finance office may be involved in back-room operations such as manual entry of cash/ student editing, but they do not have control of cash received through the revaluation machine, which is currently managed by the contractor.

#### **Cleaning:**

- The school cleaning services are provided by Workplace Intelligence
- The contract is monitored by the Facilities Manager and continues until the end of August 2024. Regular meetings will be held by the Facilities Manager and Workplace Intelligence representative to assess quality control.
- Workplace Intelligence submit a 30-day net monthly invoice in arrears, which is accompanied by supporting documentation.

#### **Grounds Maintenance:**

- The school grounds maintenance services are provided by Landmark.
- The contract is monitored by the Facilities Manager and will be reviewed in advance of the expiry term date. Regular meetings will be held by the Facilities Manager and Landmark representative to assess quality control.
- Landmark submit a 30-day net monthly invoice in arrears, which is accompanied by supporting documentation.

#### **Refuse Collection:**

- The school refuse collection services are provided by Regional Waste Management.
- The contract is monitored by the Facilities Manager and continues until a three-month notice is issued by either party.
- Regular meetings will be held by the facilities manager and Slough Enterprise representative to assess quality control.
- Regional Waste Management submit a 30-day net monthly invoice in arrears, which is accompanied by supporting documentation.

### **Section 11: Records - retention**

The books of prime entry, and/or their computerised equivalents, together with invoices, receipts and payroll and VAT and records (as applicable), must be retained for six years.

This is the minimum period required by HMRC

Records may be retained on electronic form.

Staff records will be retained as recommended by the Information Commissioner

Application form, duration of employment, references received	1 year
Payroll and tax information	6 years
Sickness records	3 years
Annual leave records	2 years
Unpaid leave records	3 years
Annual appraisal/assessments records	5 years
Records relating to promotion, transfer, training,	

Disciplinary matters 1 year from end of employment

Summary of record of service, e.g., name, position held, dates of employment

- 10 years from end of employment

Records relating to accident at work 12 years

Records of monitoring exposure to hazardous substances

- must be kept for 40 years where the record shows personal exposure of identifiable employees, and five years in other cases.

Refer to [www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk)

## **Section 12: Pension Schemes**

Teachers' Pension Scheme is run by the TPA.

All full-time teaching staff are automatically members of the Teachers' Pension Scheme but may elect to opt out of the scheme

All part time teaching staff are also automatically members of the Teachers' Pension Scheme but may elect to opt out at time of appointment.

All teaching staff may elect to opt out of the scheme at any time.

Refer to [www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)

Local Government pension Scheme is run by The Royal County of Berkshire Pension Fund.

All support staff are automatically made members of the scheme on appointment. They may elect not to join the scheme, or opt out of the scheme at any time

Refer to [www.berkshirepensions.org.uk](http://www.berkshirepensions.org.uk)

### Additional Voluntary Contributions

This scheme is provided by Prudential

Details available from The Royal County of Berkshire Pension Fund.

## **Section 13: HMRC Dispensation**

On a regular basis, the school will review and apply for dispensation against expenses.

A record will be retained of the outcome of any application and all staff will be made aware that expenses that fall outside of this dispensation may be reported on form P11D and may be liable to tax.

## **Section 14: VAT Registration**

As an Academy, if you only have "infrequent or minimal" taxable supplies and you choose not to be vat registered, you can reclaim input VAT without registering. Input VAT is recoverable, where it relates specifically to the provision of non-business education, subject

to normal rules. An unregistered body must submit a claim within four years of the end of the month in which it received the supply, but academies may claim only the VAT they have incurred since 1 April 2011.

In order to claim under this method, HMRC form VAT 126 should be used. This form can be used on a monthly basis. This is completed online through the HMRC Employer Portal.

In general, a business that seeks to undertake the provision of taxable supplies for a consideration with a view to making a profit is likely to be a business activity. As an example, this could apply to the letting of an academy sports hall to an outside club.

