St Cyprian's Greek Orthodox Primary Academy

ΠΑΝΤΑ ΙΣΧΥΩ ΕΝ ΤΩ ΕΝΔΥΝΑΜΟΥΝΤΙ ΜΕ ΧΡΙΣΤΩ ΙΝΑ ΑΡΙΣΤΕΥΩ

I AM STRONG THROUGH JESUS CHRIST

TO THE BEST THAT I CAN BE

Finance Policy & Procedures

Revised: July 2026

Reviewed and ratified by Full academy Trust:

Date: 15th July 2025

Signed:

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Position: Chair of Finance Audit & Risk

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Introduction

The purpose of this policy manual is to ensure that the Academy maintains and develops systems of financial control which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate appropriately to meet the requirements of St Cyprian's Primary Academy's Funding Agreement with the Secretary of State of the Department for Education.

The Academy must comply with the principles of financial control outlined in the Academies Financial Handbook (2018) published by the DFE. This Policy expands on that guidance and forms the manual detailing information on the academy's accounting procedures and systems. It should be read by all staff involved with financial systems and accountability.

In addition to the DFE Academies Financial Handbook (2018), this policy mhas due regard to legislation, documents and guidance including, but not limited to, the following:

- The Academies Act 2010
- The Companies Act 2006
- Articles of Association
- The Data Protection Act 2018

The term 'parents' in this policy also refers to carers.

Governance

In order to better fulfil obligations placed upon it, the Academy Trust is divided into several committees, namely , Finance Audit & Riskand Education Standards Committees.

The full Academy Trust and all Committees meet at least once each term. Minutes are taken of all meetings.

Corporate Governance

Corporate governance is the way in which organisations are directed and controlled. It defines the distribution of rights and responsibilities among different stakeholders and participants in the organisation, determines the rules and procedures for making decisions on corporate affairs including the process through which the organisation's objectives are set, and provides the means of attaining those objectives and monitoring performance. The following section looks at Directors' responsibilities for the corporate affairs of academies.

The Academy Trust

Each academy is governed by an Academy Trust constituted under a Memorandum of Association and Articles of Association. The Academy Trust is responsible for ensuring that high standards of corporate governance are maintained. It should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the academy, addressing such matters as:

- **policy development and strategic planning**, including target-setting to keep up momentum on school improvement;
- ensuring **sound management and administration** of the academy, and ensuring that managers are equipped with relevant skills and guidance;
- ensuring compliance with **legal requirements**;

- establishing and maintaining a transparent system of prudent and **effective internal controls**. (Note that the academy's annual report and accounts must include a statement on the efficiency and effectiveness of such controls);
- management of the academy's financial, human and other **resources** (in particular control over the spending identified in the academy's development plan);
- **monitoring performance** and the achievement of objectives, and ensuring that plans for improvement are acted upon;
- helping the academy be **responsive to the needs of parents and the community** and making it more accountable through consultation and reporting;
- uphold and follow the ethos and traditions of the Greek Orthodox faith;
- setting the academy's **standards of conduct and values**;
- assessing and managing **risk** (including preparation of a statement on the academy's risk management for its annual report and accounts).

The Academy Trust also has a duty to take appropriate action when there are weaknesses in the academy. Where individual Directors have concerns which cannot be resolved about the running of the academy or a proposed action, they should ensure that their concerns are recorded in minutes.

NB: All duties and responsibilities of Directors detailed in this handbook apply equally to persons who are not Directors of the academy but who have been appointed to serve on a committee of that academy in an honorary capacity.

The Academy Trust must appoint a Head Teacher to the academy who will also acts as an ex-officio governor. The Head Teacher is responsible for the internal organisation, management and control of the academy, the implementation of all policies approved by the Academy Trust and for the direction of teaching and the curriculum. The Academy Trust should formally delegate these powers and functions to the Head Teacher.

Obligations of Directors

As academies are companies limited by guarantee and under the terms of the Academies Act 2010, exempt charities, the Directors who sit on the Academy Trust are the legal trustees of the charity. This confers certain obligations upon the trustees to protect the assets, property and good name of the charity. The legal requirements of trustees are set out below.

Trustees (Directors) have full responsibility for the charity and must:

- act together and in person and not delegate control of the charity to others;
- act strictly in accordance with the academy's governing documents;
- act in the academy's interests only and without regard to their own private interests;
- manage the academy's affairs prudently throughout the life of the academy;
- not derive any personal benefit or gain from the academy of which they are trustees; and
- take proper professional advice on matters on which they are not themselves competent.

In managing the academy's finances Directors must:

- make sure that bank accounts, financial systems and financial records are operated by more than one person;
- make sure that all the academy's property is under the control of the trustees;
- keep full and accurate accounting records; and
- prepare accruals accounts giving a true and fair view of the academy's incoming resources and application of resources during the year and of its state of affairs at the year end.

In applying the academy's income Directors must spend it solely for the purposes set out in the academy's governing documents and spend it with absolute fairness between persons qualified to benefit from the charity.

Declarations of Business Interests

It is vital that Directors and staff act, and are seen to act, impartially. All Directors of the Academy Trust are therefore required to complete a declaration of their business interests. It is also strongly recommended, as a matter of good practice, that the Head Teacher and other senior staff complete declarations. Individual declarations should be maintained together in a register of interests. Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as parent, spouse, child, cohabitee and business partner where influence could be exerted by that person over a governor or a member of staff.

Where a director or member of staff or related person has any interest, either pecuniary or non-pecuniary, in a matter to be discussed at a Trust meeting the member/director or member of staff must declare their interest and withdraw from that part of the meeting.

Where a director or related person has a pecuniary interest in a business, and that interest exceeds limits that may be specified in the academy's memorandum or articles of association, the academy must not enter into any contract or arrangement (such as the purchase of goods and service) with that business. For example, an academy would not generally be permitted to trade with a company in whom a governor holds more than 1/100th of the share capital.

It is the responsibility of Directors and staff to ensure their declarations of business interests are kept up to date at all times, and to amend or update them as necessary. As good practice, it is recommended that monthly/termly meetings of Directors and senior managers include a standing agenda item for attendees to declare any changes to their declarations of interests.

Payments to Directors

It is illegal for Directors to receive any remuneration for their work as trustees, other than payment of all reasonable out of pocket travel, accommodation or other expenses legitimately incurred by them in connection with their attendance at meetings acting in the capacity of governor of the academy.

In addition, no governor may hold any interest in property belonging to the academy. Nor may a member/director receive remuneration in respect of any contract to which the academy is a party.

However, nothing prevents the payment of Directors for the usual professional charges for business undertaken by any director who is a solicitor, accountant or other person engaged in a profession, or by any partner or connected person of his or hers, when instructed by the Academy Trust to act in a professional capacity on behalf of the academy. This exception is only allowable if:

- at no time a majority of the Directors are engaged in such a professional capacity: and
- Directors withdraw from any meeting at which his or her remuneration, or that of his or her partner / relative, is under discussion.

Directors' Meetings

It is a requirement of all academy governing bodies that they meet at least once a term. No business can be conducted at any meeting unless a quorum is present. A quorum is usually three Directors (those with full voting rights) or one-tenth of the total number of Directors with full voting rights, whichever is the greater.

Directors must appoint a clerk to the Academy Trust, who must be someone other than a director or the Head Teacher of the academy.

Each meeting of the Full Academy Trust should consider:

- a report of the financial position of the academy, including its income and expenditure and financial commitments;
- whether adequate financial monitoring of the academy's budget and activities is being undertaken;
- progress on any action identified to improve financial arrangements at the academy;
- significant contracts proposed to be entered into by the academy;
- details of any significant matters affecting the academy's staff;
- details of any significant matters affecting the pupils' welfare or education;
- details of any significant matters affecting the academy's assets e.g. computers, cars, whiteboards etc;

Matters that should be considered by Directors at least once a year are:

- the academy's goals and how they are being met;
- review of the management structure to ensure it is operating effectively;
- review of the performance of external providers eg bankers, services provided under SLAs;
- review and approval of the academy's annual accounts and report of the trustees;
- review and approval of the financial budget for the following year;
- review and approval of the levels of insurance cover for the academy's assets;
- findings made by the auditors and the auditor's management letter, and any other financial reviews, and consideration of what actions should be taken arising from their recommendations;
- review of the risks to which the academy is exposed and determination of whether systems are in place to mitigate those risks.

Scheme of Delegation

The Academy Trust should agree a formal schedule of matters reserved for their decision, ie those which should not be delegated within the academy. Beyond this, the Academy Trust should consider establishing separate committees to deal with specific areas of academy business, and should determine the delegated responsibilities to be assigned to those committees, to ensure that matters can be dealt with in appropriate detail and with sufficient frequency. However, as a minimum, it is a requirement that all academies establish a finance committee separate from the Academy Trust to deal with financial matters. The Academy Trust should also have a Personnel & Pay committee as set out in the Pay Policy. This is currently part of the Finance Audit & Risk Committee.

Where the Academy Trust decides to delegate certain matters for consideration by committees, each committee should be chaired by a director. The Directorship of the committee may include persons who are not directors provided that a majority of the committee are directors. The Academy Trust should ensure that it receives adequate feedback on the work of those committees and is able to consider their decisions formally.

Directors' Responsibilities for Risk Management

The Charity Commission requires charities to include a statement in the trustees' annual report confirming that all major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks.

Academy directors need to think about the major risks from the outset in order to make and sign up to that statement. For example, Directors should determine:

- what the major risks are to the academy;
- what the likelihood is of those risks materialising;
- what would be the potential impact of the risks; and
- what systems have been put in place to mitigate and monitor the risks.

Directors should produce a "risk register" which demonstrates the results of the risk assessment process.

The risk management process should include preparation of a contingency and business continuity plan to deal with crises that could face the academy.

Directors must also ensure that the academy complies with general legislative requirements covering employment, property and health and safety regulations. They also need to think about how they can mitigate against those working for the academy from acting unlawfully, imprudently or outside the terms of the academy's governing documents, and are expected to consider whether indemnity insurance should be taken out to cover them against this liability.

Directors are at risk of personal liability if they cause loss to the academy by acting unlawfully, imprudently or outside the terms of the academy's governing document.

1. Organisation

The academy has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for Directors and staff. The financial reporting structure is illustrated below:

The Academy Trust

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

- ensuring that grant from the DfE/DFE is used only for the purposes intended;
- ensuring that funds from sponsors are received according to the academy's Funding Agreement, and are used only for the purposes intended;
- approval of the annual budget;
- authorising the award of expenditure over £60,000
- appointment of the Head Teacher and
- appointment of the School Business Manager, in conjunction with the Head Teacher.

The Finance Committee

The Finance, Audit & Risk Committee is a committee of the Academy Trust, which meets at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the Finance Audit & Risk Committee are detailed in written terms of reference which have been authorised by the Academy Trust. The main responsibilities include:

- the initial review and recommendation to the Governing Body of the annual budget;
- the regular monitoring of actual expenditure and income against budget;

- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- authorising the award of expenditure of £10,000 - £60,000
- reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Academy Trust.
- Reviewing the financial policies of the Academy and where necessary make recommendations to the Academy Trust

The Head Teacher

The Head Teacher has overall executive responsibility for the Academy, and retains responsibility for:

- approving new staff appointments within the authorised establishment, except for the Deputy Head teacher which the Academy Trust have agreed should be approved by them;
- authorising expenditure between £0 and £10,000 and reporting these to the Finance Committee
- signing cheques as detailed in the Scheme of Delegation
- online Banking Authorisation as per the bank mandate for cheque signatories.

The Funding Agreement identifies the Head Teacher as the Accounting Officer who is personally responsible to the Academy Trust for:

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

The Accounting Officer has the duty to act if the Academy Trust or Chairman is contemplating a course of action which she considers and infringement of propriety or regularity.

The Accounting Officer may delegate, or appoint others to assist in these responsibilities.

The School Business Manager

The School Business Manager works in close collaboration with the Head Teacher through whom he or she is responsible to the Directors. The School Business Manager also has direct access to the Finance Audit & Risk Committee. The main responsibilities of the School Business Manager are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the academy's financial position at a strategic and operational level;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy;
- the preparation of monthly management accounts;
- ensuring forms and returns are sent to the DFE in line with their reporting deadlines.

Other Staff

Other members of staff, primarily the School Business Manager and budget holders, will have some financial responsibilities and these are detailed in the following sections of this manual. 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.

Register of Interests

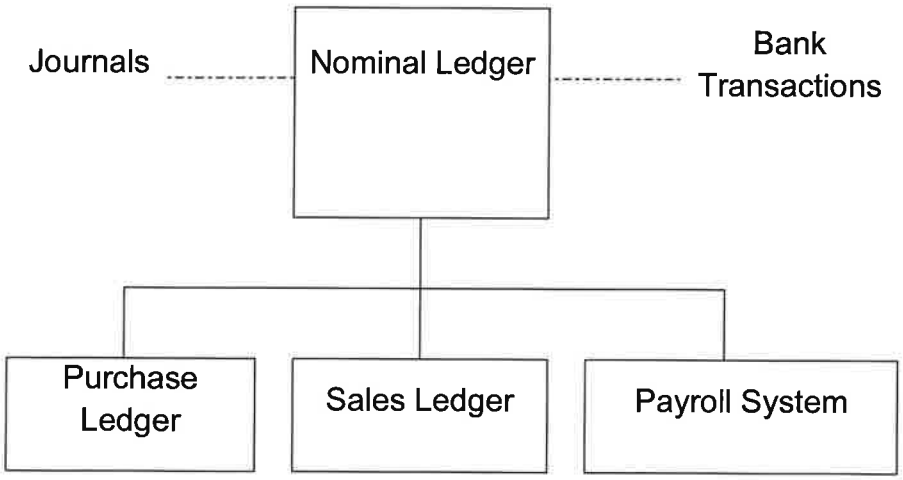
It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all academy Directors and staff with significant financial or spending powers are required to declare any financial 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, 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 relatives such as a parent or spouse or business partner where influence could be exerted over a director 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 Directors and staff to declare interests whenever they are relevant to matters being discussed by the Academy Trust or a committee. Where an interest has been declared, Directors and staff should not attend that part of any committee or other meeting.

2. Accounting system

All the financial transactions of the academy must be recorded on the FMS6 accounting system. The FMS6 is operated by the Finance Department and consists of:



System Access

Entry to the FMS6 system is password restricted and the School Business Manager is responsible for setting access levels for all Directors and staff who use it.

Back-up Procedures

The School Business Manager is responsible for ensuring that there are effective back up procedures for the system. The Academy's IT Contractor OpenAir have a system in place for daily

backups to a device within the school building, and a further offsite backup which takes place overnight. These are monitored to ensure they are backing up correctly, and would enable the school's systems to be restored in the event of loss.

Transaction Processing

All transactions input to the Finance 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.

Transaction Reports

The School Business Manager will obtain and review system reports to ensure that only regular transactions are posted to the accounting system. The reports obtained and reviewed will include:

- Masterfile amendment reports for the payroll, purchase ledger and sales ledger;
- management accounts summarising expenditure and income against budget at Cost Centre level.

Reconciliations

The School Business Manager is responsible for ensuring the following reconciliations are performed regularly, and that any reconciling or balancing amounts are cleared:

- sales ledger control account;
- purchase ledger control account;
- payroll control account;
- bank balance per the nominal ledger to the bank statement (monthly reconciliations)

Any unusual or long outstanding reconciling items must be brought to the attention of the Head Teacher. The Head Teacher will review and sign reconciliations as evidence of their review.

3. Financial planning

The academy will prepare both medium term and short-term financial plans.

The medium-term financial plan is prepared as part of the School development planning (SDP) process. The development plan indicates how the academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

The SDP plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year.

The School development planning process and the budgetary process are described in more detail below.

School Development Plan

The SDP 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 Academy Trust which allows for:

- a 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" and
- 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 and outline objectives for the following two years. 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 the Headteacher or person as delegated by the Headteacher. The responsible manager should monitor performance against the defined success criteria throughout the year and report to the senior management team on a quarterly basis. The senior management team will report to the Academy Trust if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

Annual Budget

The School Business Manager is responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the Head Teacher, Finance Committee and the Academy Trust.

The approved budget must be submitted to the DFE by the deadline notified, and the School Business Manager is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the School development plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of DfE grant receivable;
- review of other income sources available to the academy to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of the academy cost base;
- identification of potential efficiency savings and
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

Balancing the Budget

Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail

prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

Finalising the Budget

Once the different options and scenarios have been considered, a draft budget should be prepared by the School Business Manager for approval by the Head Teacher, the Finance Committee and the Academy Trust. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

The budget should be accompanied by a statement of assumptions and hierarchy of priorities so that if circumstances change, it is easier for all concerned to take remedial action. The budget should be seen as a working document which may need revising throughout the year as circumstances change.

Monitoring and Review

Monthly reports will be prepared by the School Business Manager. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Head Teacher and the Finance Committee.

The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency. All budget virements must be authorised in line with the scheme of delegation

4. Payroll

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payments and monitoring

Staff Appointments

The Academy Trust has approved a personnel establishment for the academy, the staffing structure. Changes can only be made to this establishment with the express approval of the Finance Committee who must ensure that adequate budgetary provision exists for any establishment changes.

The Head Teacher has authority to appoint staff within the authorised establishment except for Deputy Head Teacher and the School Business Manager whose appointments must follow consultation with the Directors. The School Business Manager maintains personnel files for all members of staff which include contracts of employment.

Payroll Administration

The academy payroll is outsourced to Liberata Payroll.

All Payroll transactions relating to Academy staff, permanent or casual, will be processed through the payroll system, and via no other mechanism.

All new appointments, leavers, changes to contracts or personal details will be notified to Liberata on the appropriate forms. Forms are completed by the School Business Manager and authorised

by the Head Teacher. In the case of changes to the Head Teacher's salary, forms are approved by the Chair of Governors. Copies are retained on the employee's personnel file.

All personnel files are stored in a lockable cabinet and/or online. Only the Head Teacher and School Business Manager have access to the files, but individuals can request to see their own file.

The School Business Manager is responsible for keeping the staff personnel database on Arbor up to date.

The School Business Manager maintains records for staff absence, and completes a monthly return which details sickness and other absences, and authorised overtime payments via the iTrent system, which is uploaded to Liberata for processing.

Payments & Monitoring

All salary payments are made by BACS on 24th of each month.

Liberata submit reports prior to salary payments being dispatched detailing costs and individual payment details. A BACS report is also submitted. The School Business Manager undertakes checks to ensure the data does not contain major errors prior to salaries being paid, and also checks additional hours/unpaid leave and new starters/leavers.

The Liberata payroll system automatically calculates the deductions due from salaries to comply with current legislation. Liberata are authorised to make BACS payments from the Academy's Bank account by direct payment for the amounts of the deductions to the following agencies: Local Government Pension scheme, Teachers Pensions, Unions (eg Unison and GMB) by the end of the month in which the Payroll was run, and to HMRC by the 19th of the month following the pay run.

The School Business Manager should select one employee at random each month and check the calculation of gross pay is correct to ensure that the employee is paid correctly. Full verification of payroll records to individual contracts of employment is carried out annually by the School Business Manager, records to be signed off and dated accordingly.

After the payroll has been processed the nominal ledger will be updated by the School Business Manager. Postings will be made both to the payroll control account and to individual cost centres. The School Business Manager will review the payroll control account each month to ensure the correct amounts have been posted, and produce a reconciliation sheet for signature by the Head Teacher.

5. Purchasing

The academy wants to achieve the best value for money from all purchases. This means they want to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:

- Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy;
- Accountability, the academy is publicly accountable for its expenditure and the conduct of its affairs;
- Fairness, that all those dealt with by the academy are dealt with on a fair and equitable basis.

What is best value?

Directors will apply the four principles of best value:

- **Challenge** - is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare** – How does the school's pupil performance and financial performance compare with all schools? How does it compare with LEA Schools? How does it compare with similar schools?
- **Consult** – How does the school seek the views of stakeholders about the services the school provides?
- **Compete** – How does the school secure efficient and effective services? Are services of appropriate quality, economic?

Routine Purchasing

Written, pre-numbered orders are used for all goods and services. Orders are only made by telephone in exceptional circumstances. Where goods are required urgently and an order is placed by telephone, a purchase order must be raised where possible. For urgent Kitchen orders, the School Business Manager must approve the order.

Access to the Finance system is restricted to Head Teacher, School Business Manager and Finance Assistants.

Commitment accounting is in operation on the computer system.

Orders must only be used for goods and services provided to the school. Individuals may not use official orders to obtain goods and services for their private use.

Purchase of alcohol - The trust's funds must not be used to purchase alcohol for consumption, except where it is to be used in religious services.

Ordering procedures are as follows:

A requisition is made by the budget holder and sent to the School Business Manager. The requisition is authorised by the Head Teacher, and the order entered onto FMS. The order is printed and signed by the Head Teacher and then passed to the School Business Manager (SBM). The authorised orders are held on file in the SBM's Office. To avoid the duplication of work, on occasion, under instruction of the Headteacher, orders may be entered directly onto FMS and signed by the Head Teacher without the need for a requisition form.

Receipt of goods:

All goods are delivered to the school reception, and checked against delivery notes by a Premises staff member who signs the delivery note as received. Signed delivery notes are passed to the School Business Manager/ Finance Assistants. In the absence of a delivery note, the invoice when received, is signed as "received" by the either the Premises staff member who received the goods or by the person who placed the order.

Purchase invoices:

All purchase invoices are handed immediately to the School Business Manager/Finance Assistant and matched with the delivery note.

Where goods received were short or defective in some respect, and this still has not been rectified, this must be clearly noted on the invoice so that payment is not made until either a credit note is received or the delivery is corrected.

Payment of invoices:

The School Business manager /Finance Assistant reviews invoices on a regular basis ensuring that they are paid by the due date or that any discounts available for early settlement are not lost.

Invoices should not be paid early as a matter of course.

Payment is only made when the School Business Manager/Finance Assistant have made the following checks:

- ✓ goods or services have been received and checked to the order;
- ✓ expenditure has been properly incurred and payment has not already been made;
- ✓ prices agree with quotations, tenders, contracts or catalogue prices and arithmetic is correct;
- ✓ VAT has been properly accounted for;
- ✓ the invoice has been correctly coded and certified for payment.
- ✓ discounts have been taken where applicable.

The Headteacher together with the Deputy Head Teacher or cheque signatory approve the invoices as correct for payment.

Invoices are entered on the Finance system by the School Business Manager/Finance Assistant. The School Business Manager raises cheques or Bacs for payments to suppliers.

All cheque payments/ Bacs from public and non-public funds are signed/authorised online by two authorised signatories.

The following procedures are followed when a cheque is signed:

- ✓ all supporting documentation (i.e. delivery note and invoice) are presented to the signatories;
- ✓ Invoices must be clearly marked with cheque number, date and amount paid.
- ✓ All cheques drawn are crossed as account payee only to avoid the possibility of improper negotiation of cheques;
- ✓ The cheque signatories check the supporting documents are there and that the invoice has been authorised and evidence.
- ✓ The School Business Manager/Finance Assistant files all documentation in cheque payment number / Bacs number sequence;
- ✓ In no circumstances will any cheque signatory sign a blank cheque subject to a second signature;
- ✓ No payment will be made on a photocopied invoice unless exhaustive checks have been made to confirm that payment has not previously been made. Any copy invoice should be marked as such. Invoices received electronically are acceptable.
- ✓ In no circumstances will payment be made against statements.

7. Tendering Rules

Orders under £5,000

Every effort should be made to obtain best value but there is no requirement to obtain written quotations.

Goods/Services over £5,000

At least three written quotations should be obtained for all services over £5,000 to identify the best source of the services. Written details of quotations obtained should be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and faxed confirmation of quotes has been received before a purchase decision is made.

Orders over £50,000

All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures. Purchases over £172,514 excluding VAT (threshold from January 2014) fall under EU procurement rules which requires advertising in the Official Journal of the European Union.

Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

- **Open Tender**: This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the School Business Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

- **Restricted Tender**: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
    - there is a need to maintain a balance between the contract value and administrative costs,
    - a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the academy's requirements,
    - the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

- **Negotiated Tender**: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:
    - the above methods have resulted in either no or unacceptable tenders,
    - only one or very few suppliers are available,
    - extreme urgency exists,
    - additional deliveries by the existing supplier are justified.

Preparation for Tender

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

- An invitation to tender should include the following:
- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender and
- form of response.

Aspects to Consider

Financial

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision.
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Pre- sales demonstrations
- After sales service
- Financial status of supplier.

Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the academy. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

For contracts up to £50,000 - two of the budget holders and the School Business Manager or the Head Teacher ;
For contracts over £50,000- either the School Business Manager or the Head Teacher plus a member of the Finance Committee.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

Tendering Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation and for contracts over ~~£25,000~~ 50,000 a report should be prepared for the Finance Committee highlighting the relevant issues and recommending a decision. For contracts under £50,000 the decision and criteria should be reported to the Finance Committee.

Where required by the conditions attached to a specific grant from the DfE/EFA the department's approval must be obtained before the acceptance of a tender.

The accepted tender should be the one that is economically most advantageous to the academy. All parties should then be informed of the decision.

8. Income

The main sources of income for the academy are the grants from the EFA and Croydon Council. The receipt of these funds is monitored by the School Business Manager who is responsible for ensuring that all grants due to the academy are collected.

The academy also receives contributions from parents or the public for:

- School Meals
- Trips & Residential Visits
- School Uniform
- All Day Nursery sessions
- Wrap Around Care
- After School Clubs
- Letting the school premises

The Academy uses Arbor to administer the collection of the majority of this income. The School Business Manager is responsible for the day to day administration of Arbor and the collection of income. The School Business Manager/Finance Assistant runs reports twice monthly and apportions the income and Arbor commission to the correct cost centres.

Trips/Activities

A lead teacher is appointed for each trip, for which an Offsite Activities form is completed. The School Business Manager is responsible for budgeting for the trip and collection of sums due.

Parents pay online using Arbor. The value of the receipt is recorded against the pupil making the payment.

Lettings

The Policy for letting of the premises is contained in a separate document, which is reviewed annually and approved by the Finance Committee.

The School Business Manager is responsible for maintaining records of bookings and for identifying the sums due. A Transfer of Control Agreement is signed by the Hirer at the time of booking and an invoice raised in the 'Accounts Receivable' module of FMS.

Custody

Cash collected for staff meals and from fundraising events is handed to Reception on the day collected, and signed for on handover by two members of staff. Receipts are also issued. All receipts are generated and numbered automatically within FMS. All cash and cheques are held in the office safe prior to banking. The School Business Manager is responsible for preparing summary banking reports from FMS, and completing the Bank paying-in slip. Banking is collected by couriers every fortnight.
The School Business Manager completes reconciliations between the sums collected, the sums deposited at the Bank and the sums posted to FMS during routine month end procedures.

Debtors

Debts under £1000 may be written off by the Head Teacher.

Debts over £1000 may be written off by the Head Teacher with the approval of the Finance Committee.

Debts above the level in the Academies Financial Handbook 2016, (currently £45,000 or 1% of total income, (whichever is smaller) per single transaction or cumulatively 5% of total income in any one financial year per category of transaction) must be submitted to the Secretary of State (via the DFE) for approval.

The following debt recovery process will be applied:

- If payment has not been received 30 days after invoice, a statement of account is sent
- Following this, invoices are chased by telephone, letter or email until payment is forthcoming
- In the case of non-payment by parents/carers for Wrap Around Care or School Clubs, the facility is withdrawn until payments are up to date
- The current aged debtor report will be provided for each Finance Committee meeting.

9. Cash Management

Bank Accounts

The Academy has appointed Lloyds Bank as their bankers. The opening of all accounts must be authorised by the Academy Trust who must set out, in the Scheme of Delegation, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

Public and non-public funds are separated in the nominal ledger.

The bank has been informed that the school is not allowed to borrow funds and that no account should be allowed to become overdrawn. The school will not enter into any loan arrangements without the prior approval of the Secretary of State.

Bank statements are obtained monthly. The school has access to online banking and therefore can review the bank account on an ad hoc basis as required

Deposits

Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

- the amount of the deposit and
- a reference, such as the number of the receipt or the name of the debtor.

Payments and withdrawals

All BACS and other instruments authorising withdrawal from academy bank accounts must bear the signatures of two of the following authorised signatories:

- Head Teacher
- Deputy Head Teacher
- SLT

This provision applies to all accounts, public or private, operated by or on behalf of the Academy Trust of the academy.

Bank Reconciliation

The School Business Manager must ensure bank statements are received regularly and that reconciliations are performed on a monthly basis. Reconciliation procedures must ensure that:

- all bank accounts are reconciled to the academy's cash book;
- reconciliations are prepared by the School Business Manager;
- reconciliations are checked and countersigned by the Head Teacher
- adjustments arising are dealt with promptly.

Petty Cash Accounts

The Academy operates a petty cash system to the value of £800, administered by the School Business Manager. The petty cash account is reconciled by the School Business Manager monthly. All petty cash requests are authorised by the Head Teacher and backed up with a receipt.

Cash Flow Forecasts

The School Business Manager is responsible for preparing cash flow forecasts to ensure that the academy has sufficient funds available to pay for day to day operations. If significant balances are forecast, steps should be taken to invest the extra funds.

Investments

Investments must be made only with the agreement of the Academy Trust.
All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of

purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

VAT

Under legislation, VAT claims can be made on expenditure supporting the Academy's core business purposes according to the simplified arrangement with HMRC. Claims are made to HMRC on Form 126 by the School Business Manager monthly, following full reconciliation of all accounts. Separate to the activities mentioned, the Academy may choose to register for VAT in relation to its non-business activities. The Academy is currently not registered for VAT, but this is under ongoing review with the Academy's external Auditors.

Voluntary Funds

The Head Teacher will ensure that monies raised by fundraising and donations are accounted for in a separate nominal account within FMS.

The Head Teacher will ensure that the same standards of financial accounting apply to income and expenditure for the school's delegated budget are applied to these funds.

Any income that properly relates to the school's delegated budget will not be credited to the voluntary fund.

10. Fixed assets

Asset register

All items purchased with a value over the academy's capitalisation limit of £5000, must be entered in an asset register. Additionally, lower value technical equipment like laptops and cameras that may be easily lost or misappropriated should also be included in the asset register. The asset register should include the following information:

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- location
- name of member of staff responsible for the asset (where appropriate)

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 and
- support insurance claims in the event of fire, theft, or vandalism.

Security of assets

Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

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 Academy Trust. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head Teacher, and where significant, should be sold following competitive tender.

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 licences for software programmes have been legally transferred to a new owner.

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/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 a loan book and booked back in 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.

Write off/Asset Disposal

If stocks or equipment are surplus, obsolete, damaged, not traceable or stolen, the governing board will authorise the write-off and sale or disposal.

The governing board is responsible for maintaining proper security at all times for all assets including buildings, stocks, stores, furniture, equipment, cash, etc. under its' control.

1. Items for write off/disposal should be listed on the write off/disposal authorisation form, detailing model and serial number, a brief description of the item, and the reason for write off/disposal.

2. The form should be signed and dated by the member of staff requesting write off/disposal, and then passed to the Business Manager for authorisation. The Business Manager should be satisfied that the items are to be written off/disposed of and should then enter on the form the method of disposal (e.g. scrapped, sold/offered via the weekly newsletter, sold by tender (if usable computers for example). The Business Manager to then update the asset register and insurance providers accordingly.

Following the annual physical check which is confirmed in writing on the appropriate approved form, the governing board may authorise any disposals and this should be cross-referenced to the financial and banking records. This should be recorded in the minutes stating that the governing board have ratified the decision.

11. Reporting to the DfE

The Academy is required to submit reports to the DfE in the following areas:

- Annual Budget
- Statutory Accounts

The Annual Budget

The Academy is required to send a copy of its Annual Budget to the DFE.
The School Business Manager must ensure that a final budget is submitted setting out the Academy's plans for the forthcoming Academic year in the required format and by the required deadline.

Statutory Accounts

As a Charitable company, the Academy must comply with company law as set out in the Companies Act 1985. This includes a requirement to produce a Trustees Report and Financial Statements ('annual accounts') and for these to be independently audited by a registered auditor. Financial statements should be prepared to 31st August each year and should include:

- Incoming resources from all sources received in the period
- Resources expended on all activities within the period
- All assets and liabilities of the Academy at the balance sheet date
- All cash received and expended within the period
- Notes to the accounts

The accounts must be submitted to the DFE by 31st December. A copy of the annual report and final accounts must also be sent to Companies House.

12. External Auditors

The Academy appointed Baxter & Co as their external auditors in April 2025 for a period of one year.

APPENDIX A

Authorisation Limits for Staff and Governors at St Cyprian's Greek Orthodox Primary Academy

At all times procedures and requirements in the Academies Handbook will be applied.

	Full Governing Body	Finance Committee	Chair of Finance	Head	Chair of Personnel Committee and Head
Approval of Budget/ 3 year plan	x				
Virements to budgets – more than £10,000	x				
Virements to budgets - £5,000-£10,000		x			
Virements to budgets – Under £5,000				x	
Authorise expenditure – above £60,000	x				
Authorise expenditure – £10,000-£60,000		x			
Authorise expenditure –up to £10,000				x	
Authorise staff expense claims (including Deputy and Senior Leadership team)				x	
Authorise HT's expense claims above individual claims of £50 or total claims of £500/annum. Otherwise signed off by Asst Head against receipts up to a maximum of £500/ annum.			x		
Appointment and salary of all permanent staff – below Senior Leadership Team				x	
Appointment of all permanent staff – on Senior Leadership Team below Head + Deputy				x	
Salary of all permanent staff – on Senior Leadership Team below Head + Deputy					x
Appointment and salary of all temporary staff				x	
Appointment and salary of all supply staff				x	
Appointment and salary of Head and Deputy	x				

Suspend and Dismiss staff other than Headteacher & Deputy				x	
Suspend/dismiss Headteacher & Deputy	x				
Disposal of school assets and debts up to £5k per category of transaction *				x	
Disposal of School assets over £5k except Land or heritage assets (see below for upper limits)	x				

Other categories of financial transaction

1. Write offs and liabilities – this includes the writing off of debts and losses and entering into guarantees, indemnities or let of comfort (except borrowing). Subject ot a maximum of £250,000, the Trust may approve up to a total of 1% of total anr income per transaction or £45000 (whichever is smaller) or 2.5% of total annual income in any financial year per category transaction for any trusts that have not submitted timely unqualified audited accounts for the previous two financial year cumulatively 5% of total annual income in any financial year per category of transaction for any trusts that have submitte timely unqualified audited accounts for the previous two financial years. Beyond this, approval is from the Secretary of St via the DFE
2. Special payments (staff severance/compensation) – where the non-statutory element is below £50k may be approved by trust subject to certain requirements. Above this approval is via the DFE
3. Acquisition or disposal of land or buildings or heritage assets, as defined in the Academies Handbook require the approva the Secretary of State
4. The academy trust may not borrow without the approval of the Secretary of State, which includes entering into finance le
5. The academy trust may take out and grant operating leases, but must obtain approval via the DFE to take out or grant leasehold tenancy agreements on land and buildings over 3 years (funding agreement).

*Note: a valuation of the assets to be disposed of must be undertaken by a third party and the inventory updated accordingly Any disposal must maintain the principles of regularity, propriety and value for money.