

TRUST FINANCIAL HANDBOOK



ADVANTAGE
S C H O O L S

Approved by: Finance, Audit & Resources **Date:** 26.09.2018

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1. Background

- 1.1 The Advantage Schools Trust is a company limited by guarantee (registered no: 07337888) and has exempt Charity status. Its structure of governance is laid down in the Articles of Association, which may only be amended by application to the Secretary of State for Education. Advantages Schools Multi-Academy Trust (MAT) is accountable through its Board which has ultimate responsibility for the Trust's, and the Academies within the MATs, management and administration.
- 1.2 The MAT receives much of its funding from the Education & Skills Funding Agency (ESFA). The funding agreements between the ESFA, and the academies within the MAT, sets out the terms and conditions on which the grant is made. The Board is responsible for ensuring that conditions of the grant are met. As part of this process the MAT, and the Academies within the MAT, must adhere to the ESFA's Financial Handbook, which requires it to have sound systems of financial, and management control. The financial regulations and management of the Academies form part of this overall system of accountability. Reference to the ESFA shall include any successor bodies.
- 1.3 This document will be posted in full on the schools shared network area.

2. Status of the Financial Regulations

- 2.1. This document sets out the MAT's financial regulations. It translates into practical guidance around the MAT's broad policies relating to financial control. The Finance, Audit and Resources Committee (FAR) approved this document on **26 September 2018 and adopted by Trust Board on 17 October 2018**. It applies to the MAT and all subsidiaries or connected undertakings that may exist from time to time.
- 2.2. Any amendments to the financial regulations must be approved by the Board, on the recommendation of the Finance, Audit & Resources Committee, and if considered by that Committee to be fundamental must be further approved by the Board.
- 2.3. These financial regulations are subordinate to regulations contained in The Academies Act, the Companies Acts, or the Articles of Association and to any restrictions contained within the MAT's funding agreement with the ESFA.
- 2.4. Compliance with the financial regulations is compulsory for all staff connected with the MAT. However, it is recognised that circumstances may arise leading to a technical breach of regulations or where following the regulations precisely would not be in the best interests of the MAT. The over-riding requirement is that the spirits of the financial regulations are followed, and the Chief Financial Officer (CFO) and Chief Executive Officer (CEO) (also known as the Executive Principal) have authority to agree and authorise technical breaches of a minor nature.
- 2.5. A member of staff who fails to comply with the financial regulations may be subject to disciplinary action under the MAT's disciplinary policy.

- 2.6. Any significant breach, in the opinion of the CFO or CEO, will be notified to the Board through the Finance, Audit & Resources Committee Chairperson. It is the responsibility of the Leadership Team of each Academy to ensure that staff reporting to them and to their subordinates are made aware of the existence and content of the MAT's financial regulations and that an adequate number of copies are available for reference.
- 2.7. The Principal in each Academy is responsible for monitoring compliance with the financial regulations. Any fundamental breach of the financial regulations must be notified to the CFO and CEO who will notify the Board through the Finance, Audit & Resources Committee.
- 2.8. Key Budget Holders (meaning Principals and delegated budget holders for the purpose of this document) are responsible for ensuring that all their staff, including Delegated Budget Holders, are familiar with the MAT's financial regulations and that an adequate number of copies are available for reference within their operational area.

3. Financial Control

The Trust Board

- 3.1 The Trust Board is responsible for the management and administration of the MAT. Its financial responsibilities are:
 - ensuring the solvency of the MAT and the safeguarding of the MAT's assets
 - ensuring that grants from the ESFA are used only for the purposes intended
 - appointing, grading, suspending, dismissing and determining the pay and conditions of service of the CEO and through him the Heads of School/Principals
 - setting a framework for pay and conditions of service of all other staff
 - ensuring that the financial, planning and other management controls, including controls against fraud and theft, applied by the MAT are appropriate and sufficient to safeguard public funds
 - approving the appointment of external auditors and appointments to the Finance, Audit & Resources Committee, and if applicable the Responsible Officer
 - securing the efficient, economical and effective management of all the MAT's resources and expenditure, capital assets and equipment, and staff, so that the investment of public funds in the MAT is not put at risk
 - ensuring that appropriate financial considerations are taken into account at all stages in reaching decisions and in their execution
 - planning and conducting its financial and academic affairs so that its total income is not less than sufficient, taking one year with another, to meet its total expenditure
 - approving an annual budget before the start of each financial year
 - ensuring that the MAT complies with the ESFA's Funding Agreement

- approving the MAT's Strategic Plan or other relevant document
- approving the annual financial statements.

Committee Structure

- 3.2 Whilst the Board has ultimate responsibility for the MAT's finances it delegates' elements to the Finance, Audit & Resources Committee as detailed below. The committee is accountable to the Board.

Finance, Audit & Resources Committee

- 3.3 Consideration of the financial aspects of the MAT's medium term and strategic plans is undertaken by the Finance, Audit & Resources Committee. It is responsible for ensuring that all the financial implications of such plans are taken into account before their approval by the Board. In addition, it is responsible for considering annually the MAT's proposed capital programme before it can be recommended to the Board for approval. Similarly, before the start of the financial year, it considers and makes recommendations to the Board on the allocation of resources within the annual revenue budget, ensuring that this is in line with agreed longer-term plans.
- 3.4 The Finance, Audit & Resources Committee also monitors the MAT's financial position and financial control systems. Members of the Finance, Audit & Resources Committee must be sent monthly management and the Committee itself must consider the latest management accounts at each meeting. The mechanism for ensuring that Trustees see the management accounts is that by the 24th of each month they will be uploaded to Governorhub and all Trustees will be notified when this is done. The Chair of the Trust will send acknowledgement of the update each month. It must monitor budgets to ensure that they are adhered to, or obtain satisfactory explanations where changed circumstances have led to variations from budget. It must consider any other matters relevant to the financial duties of the Board and make recommendations accordingly. The Finance, Audit & Resources Committee must also ensure that the Board has adequate information to enable it to discharge its financial responsibilities.
- 3.5 The main responsibilities of the Finance, Audit & Resources Committee are detailed in the written terms of reference.

Responsible Officer

- 3.6 Academies may choose to appoint a Responsible Officer. The Responsible Officer is advisory and reports to the Board. He/she has the right of access with or without notice to obtain all the information it considers necessary and to consult directly with the auditors. The Responsible Officer is responsible for checking that processes exist to monitor the integrity of financial and other control systems. He/she must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.

Audit Requirements

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- 3.7 The audit requirements of the MAT are set out in the Companies Act and various Auditing Standards as well as in the Academies Accounts Direction issued by the ESFA.
- 3.8 Auditors shall have authority to:
- access MAT premises at reasonable times with or without notice
 - access all assets, records, documents and correspondence relating to any financial and other transactions of the MAT
 - require and receive such explanations as are necessary concerning any matter under examination
 - require any employee of the MAT to account for cash, stores or any other MAT property under his/her control.
 - access records belonging to third parties, such as contractors, when required.
- 3.9 Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other property of the MAT or any other suspected irregularity in the exercise of the activities of the MAT, the manager concerned shall notify the CFO who will deal with matters as set out in the MAT's policy on fraud and anti-corruption.
- 3.10 The CFO is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly.
- 3.11 Following consideration of audit matters the accounts should be approved by Finance, Audit & Resources Committee. On the recommendation of Finance, Audit & Resources Committee, they will be submitted to the Trust Board for approval.

External Audit

- 3.12 The appointment of auditors will take place annually and is the responsibility of the Trust Board. The appointment must be subject to competitive tender at least once in every five year period. The Trust Board will be advised by the Finance, Audit & Resources Committee.
- 3.13 The primary role of external audit is to report on the MAT's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with the Companies Acts and the Auditing Practices Board's auditing standards.

Other Auditors

- 3.14 The MAT may, from time to time, be subject to audit or investigation by external bodies such as the ESFA, National Audit Office, European Court of Auditors, HM Revenue and Customs. They have the same rights of access as external and internal auditors.

Responsibilities

Chief Executive Officer

3.15 The CEO is the MAT's designated accounting officer and is responsible to the Finance, Audit & Resources Committee and for ensuring the financial administration of the MAT's affairs in accordance with the Funding Agreement with the ESFA. As the designated accounting officer, the CEO may be required to justify any of the MAT's financial matters to the Public Accounts Committee at the House of Commons.

3.16 In particular, as Designated Accounting Officer, the CEO is charged with the following responsibility:

“for preparing annual estimates of income and expenditure, for consideration and approval by the Trust Board, and for the management of budget and resources, within the estimates approved by the Trust Board”

3.17 The CEO shall demonstrate oversight of financial matters by signing the Balance Sheet and the Statement of Corporate Governance within the annual Financial Statements, Budget Returns submitted to the ESFA.

3.18 Much of the financial responsibility has been delegated to the CFO but the CEO still retains ultimate responsibility

Chief Financial Officer

3.19 Day to day financial administration is the responsibility of the CFO. The CFO is responsible to the CEO for

- The management of the MAT financial position at a strategic and operational level within the framework for financial control determined by the Trust board
- preparing annual capital and revenue budgets and financial plans
- preparing accounts, management information, monitoring and control of expenditure against budgets and all financial operations
- preparing the MAT's annual accounts and other financial statements and accounts which the MAT is required to submit to other authorities
- Ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance

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- ensuring that the MAT maintains satisfactory financial systems and effective systems of internal control
- providing professional advice on all matters relating to financial policies and procedures
- day to day liaison with auditors in order to achieve efficient processes.

3.20 The detail of many of these items may be delegated to other finance staff/assistants.

Principals and Senior Leadership Team

3.21 All Principals/Heads of School are responsible to the CEO for financial management in their own areas. They are advised by the CFO in executing their financial duties. The CFO will advise on the financial systems operating within their departments and may specify the form in which any primary financial records are kept.

3.22 All Key Budget Holders are responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters.

3.23 Where resources are delegated to budget holders at lower levels, they are accountable to the delegator of that budget for their own budget portion.

Budgeting

General

3.24 Capital and Revenue Budgets are determined annually by the Board on the recommendation of the Finance, Audit & Resources Committee. The Budgets should include cash flow forecasts for the year and a projected year-end balance sheet.

3.25 Budget Holders are responsible for effective and efficient use of resource allocations made to them.

Budget Preparation

3.26 The CEO, through the CFO, is responsible for preparing annually a revenue budget and a capital budget for consideration by the Finance, Audit & Resources Committee, before submission for approval to the Board.

3.27 All Budget Holders are required to participate in the preparation of the revenue budget as directed by the CEO and CFO. The CFO will communicate the budgets to Budget Holders as soon as possible following Board approval.

Revenue Budget

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- 3.28 The annual revenue budget should include estimates of all income expected to be generated during the year together with all costs associated with such activities.

Capital Budget

- 3.29 The capital budget is for the purchase of fixed assets.
- 3.30 A fixed asset is an item, or a set of items, owned by the Trust, with an expected useful life of more than one year, and with a cost, excluding VAT, in excess of £1,000. Fixed assets comprise land and buildings, including improvements, fixtures and fittings, vehicles, equipment and furniture.
- 3.31 Expenditure on repairs to assets is not capital expenditure and therefore has to be met from the revenue budget, unless in the opinion of the CFO it substantially enhances the value of the asset.
- 3.32 The CEO/CFO is responsible for agreeing the capital budget from the bids received, for consideration by the Finance, Audit & Resources Committee before submission to the Board for approval. Proposed projects should be supported by a statement demonstrating consistency with the strategic plan, a breakdown of costs, and a financial evaluation or appraisal including cash flow forecast.
- 3.33 The CFO is responsible for providing regular statements concerning all capital expenditure to relevant Key Budget Holders, the Executive and to the Finance, Audit & Resources Committee, for monitoring purposes.
- 3.34 Following completion of any capital project in excess of £50,000, a final report must be submitted to the Finance and Audit Committee analysing any variances against budget.

Financial Planning

- 3.35 The CFO is responsible for preparing annually a rolling three year financial plan in consultation with the Key Budget Holders, including any subsidiary and joint venture operations, (where possible using funding estimates) for approval by the Trust Board on the recommendation of Finance, Audit & Resources Committee and for preparing financial forecasts for submission to the ESFA. Financial plans should be consistent with any School Improvement Plans and property strategies approved by the Trust Board.

Budgetary Control

- 3.36 The control of income and expenditure within an agreed budget is the responsibility of the Key Budget Holders who must ensure that day-to-day monitoring is undertaken effectively. Key Budget Holders are responsible for the income and expenditure appropriate to their budget. The Budget Holder will be assisted in this duty by management information, such as Budget Holder Reports, provided by the CFO or the finance team termly

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- 3.37 Significant departures from agreed budgetary targets must be reported immediately to the CFO by the budget holder concerned and, if necessary, corrective action taken.
- 3.38 The CFO is responsible for supplying budgetary reports on all aspects of the MAT's finances to the CEO and Finance, Audit & Resources Committee. This will normally be in the form of monthly Management Accounts. Management Accounts will be prepared by the 24th of the following month.

Virements

Non-Pay Budget Virement

- 3.39 Principals may vire budget between cost centres within their team at their discretion. Virements between budget headings up to £5,000 may be approved by the Principal, between £5,000 and £20,000 by the CFO and/or CEO, and over £20,000 by the Finance, Audit & Resources Committee. Larger virements, and cumulative virements which represent more than £30,000 and more than 10% of the approved budget heading, require approval by the full Board. These virement limits also apply to the payroll budget.
- 3.40 It is however recommended that virements only be done when absolutely necessary and that the approach of explaining variances be adopted rather than viring monies in order to ensure over/underspends are accounted for and explained which will assist future budget forecasting.

Pay Budget Virement

- 3.41 The Principal of a school within the Trust may make adjustments between permanent and part-time staffing budgets as necessary for operational purposes up to 1% of the total approved budget.
- 3.42 The Head Teacher may vire between budgets for teaching and support staff up to 1% of the total pay budget.
- 3.43 All virements in excess of £1,000 to and from budgets for restructuring or severance costs require approval by the Finance, Audit & Resources Committee.
- 3.44 It is however recommended that virements only be done when absolutely necessary and that the approach of explaining variances be adopted rather than viring monies in order to ensure over/underspends are accounted for and explained which will assist future budget forecasting.

General

- 3.45 Any changes to the budget which may result in a detrimental change to the operating surplus or deficit for the year must be referred to the Trust Board for approval.

Treatment of Year End Balances

- 3.46 At year end, budget holders will not have the authority to carry forward a balance on their budget to the following year. Allocations for the new financial year should reflect the need in the new financial year. Some element of unspent allowances may be built into the budgets as a contingency and allocated to budget holders using the CEO's authority.

Accounting Policies

Basis of Accounting

- 3.47 The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

Format of the Accounts

- 3.48 The accounts are prepared for the financial year ending 31 August, in the format required by the Companies Act 2006 and the Charities SORP.

Accounting Returns

- 3.49 The CFO is responsible for producing monthly management accounts and cash flow information showing the cumulative position for the financial year compared with approved budgets, latest estimated outturn, together with associated commentary (including forward cash flow estimates for at least 12 months), for submission to Finance, Audit & Resources Committee at their meeting next following the end of the month.
- 3.50 The CFO is responsible for consolidating and despatching financial returns and other periodic financial reports to the ESFA and other agencies as required. The CFO is also responsible for ensuring that all grants notified by the ESFA and other bodies are received.

Accounting Records

- 3.51 The CFO is responsible for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.
- 3.52 The MAT is required by law to retain prime documents for six years. These include:
- official orders
 - paid invoices
 - accounts raised
 - bank statements
 - copies of receipts
 - paid cheques
 - staff contracts

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3.53 Additionally, for auditing and other purposes, other financial documents should be retained for three years.

3.54 These retention periods relate to information for financial purposes and not for Learner related information, which are subject to a separate policy.

Official Legal Documents

Definition

3.55 Official and legal documents comprise all deeds and leases, and major agreements and contracts. This includes documents relating to property transactions, asset leases or hire purchase agreements, major agreements and contracts relating to income from the supply of goods or services to third parties and major agreements and contracts for maintenance and other commitments. Major agreements and contracts are those exceeding one year's duration or with a financial value or cost in excess of £5,000.

3.56 Purchase orders and staffing contracts, which are covered elsewhere in the Regulations, are not included in the definition of legal and official documents.

Authority to sign legal documents

3.57 Unless detailed specifically elsewhere in these financial regulations, official or legal documents require the signatures of both the CEO and the CFO. In the absence of either, another Senior Post-holder may sign the document in her/his place.

Security of legal documents

3.58 The CFO is responsible for the safekeeping of official and legal documents relating to the MAT. Signed copies of deeds, leases, major agreements and contracts must, therefore, be forwarded to the CFO promptly. All such documents shall be held in an appropriately secure location.

4. Income

General

4.1. The CEO is responsible for ensuring the School achieves its income budgets.

4.2. The CFO is responsible for ensuring the prompt collection, recording, security and banking of all income to which the Schools within the Trust are entitled takes place. This includes a duty to ensure that all claims for funds, including grants and contracts, are made by the due date.

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- 4.3. Levels of charges for any non-grant-funded activity, including services rendered, goods supplied and rents or lettings, are determined by CEO based upon principles considered by the Finance, Audit & Resources Committee and approved by the Trust Board.

Cash Receipts

- 4.4. All monies received within departments from whatever source must be recorded by the department on a daily basis together with the form in which they were received.
- 4.5. Unless specific arrangements have been agreed in writing by the CFO, all monies received must be deposited with the Finance Team (meaning person with delegated day to day financial responsibility for a school on behalf of the for trust) of any schools within the Trust before the close of business each day, and custody of all cash holdings must comply with the requirements of the MAT's insurers.
- 4.6. All income received by the Finance Team of any schools within the Trust must be banked as soon as practicable, and posted into the accounting system promptly, and in **any event within five working days**.
- 4.7. All banking discrepancies must be reported to the CFO, and those **in excess of £10** fully investigated. Discrepancies **in excess of £500** must be reported to the Finance, Audit & Resources Committee.
- 4.8. No deductions may be made from any cash collected on behalf of the MAT prior to paying into the Finance Team of any schools within the Trust
- 4.9. Only in exceptional circumstances, and on the express authority of the CFO or the CEO, may personal or other cheques be cashed out of money received on behalf of the MAT, with the exception that the MAT's own cheques made out in favour of the MAT may be so cashed.

Customer Credit Terms

- 4.10. The MAT should endeavour to receive payment in advance of services being rendered or goods being supplied.
- 4.11. In the event that a Budget Holder considers that credit terms are appropriate, then this should be discussed with the CFO. These should normally be 14 days from date of delivery of the service or goods and should be notified to the client by the Budget Holder. Where delivery takes place over a period, interim invoices must be raised, normally monthly. Any variances to these payment terms must be authorised by the CFO.
- 4.12. Where expected total income is in excess of £1,000, the CFO is responsible for assessing the client's credit worthiness and no contracts that allow for deferred payments may be entered into until this process is complete.
- 4.13. The CFO is responsible for setting credit limits on client accounts and may suspend supplies of goods or services if either payment terms or credit limits are exceeded.

- 4.14. The above principles apply to grants as well as contracts, unless the grantor's terms specify otherwise and are non-negotiable.

Invoice and debt collection

- 4.15. The CFO is responsible for ensuring that all grants notified by the ESFA and other bodies are received.
- 4.16. Where a service or other supply is made on credit the Budget Holder should submit relevant details on an Invoice Request Form to the Finance team of the relevant school of the Trust **within five working days following delivery**. Where delivery takes place over a period, and interim monthly invoices are to be raised, the Invoice Request Form must be sent to the Finance team at least five working days before each month end. Invoices must be raised by the Finance team weekly.
- 4.17. The CFO must ensure that outstanding debts are monitored and that effective action is taken to collect overdue debts.
- 4.18. Where invoices are incorrect or have been raised in error, credit notes should be raised. All credit notes must be authorised by the CFO.
- 4.19. Authority to write off individual debts for any schools within the Trust is as follows:
- up to £500 - the CFO or the CEO, subject to an annual limit of £2,000
 - in excess of £500 - the Board on the recommendation of the Finance, Audit & Resources Committee according to delegated limits in the ESFA Academies financial handbook

Refunds

- 4.20. A refund is the repayment of fees already received by the MAT.
- 4.21. Students, or their parents, are entitled to automatic full refunds where the MAT cancels an event/trip, for which they had paid for. The relevant Budget Holder, or her/his appointed representative, is responsible for authorising all such refunds, which should be made within ten working days of the decision to cancel the event/trip.
- 4.22. Refunds may also be made to students in the following situations:
- where a student's complaint is upheld by the MAT or a relevant agency (e.g. the LSC), or subsequent litigation results in a Court Order to refund all or part of a fee.
 - where a student's personal circumstances are such that, in the judgement of the CFO, a refund is the most reasonable course of action.

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- 4.23. In the last case, at the discretion of the CFO, a refund administration fee may be deducted from the refund prior to payment.

5. Expenditure

- 5.1. Budget Holders with purchasing responsibility have a duty to ensure the best value for money at all times. By implication, Budget Holders are expected to negotiate effectively to obtain best value. Particularly because it is largely publicly funded, the MAT should also be seen to achieve best value, should deal fairly with suppliers and should have purchasing systems in place which protect staff from allegations of prejudice and malpractice.
- 5.2. No such staff should accept any gift or hospitality which could be regarded as likely to influence the propriety of the MAT's purchasing processes. Any member of staff in doubt in relation to this issue should consult with their line manager. All gifts and hospitality which are accepted (excepting 'trifling' amounts at Christmas time) should be recorded in the Gifts and Hospitality Register which is maintained on behalf of the Company Secretary to the Trust Board by the Finance Teams in the schools of the Trust.
- 5.3. The CFO is responsible for making payments to suppliers of goods and services to the MAT. The MAT's terms are that each month's purchases will normally be paid at the end of the following month. The CFO's agreement is required before any other payment terms are agreed with a supplier.
- 5.4. The CFO must maintain a register of authorised signatories. Any changes to the authorities to sign must be notified to the CFO immediately. Budget Holders must supply the CFO with specimen signatures.

Purchase Orders

- 5.5. The ordering of goods and services shall be in accordance with the MAT's detailed financial procedures. A properly approved official MAT written purchase order should normally be used to purchase goods and services. Purchase orders must be sent out by the Finance team of the schools within the Trust on the basis of purchase requisitions completed by Budget Holders, unless agreed otherwise by the CFO.
- 5.6. Any upward variations to orders which exceed the lower of 10% of the original value or £1,000 must be evidenced by an additional order which must be authorised in the same manner as the original order. Where the original order exceeded £1,000 or where the additional order brings the total effective order value over £1,000 then the usual authorisation rules must be applied to the addition. A copy of the original order shall be kept with the additional order.
- 5.7. The CFO is responsible for ensuring that order stationery is properly controlled, and that purchase orders refer to the MAT's standard conditions of purchase.
- 5.8. Unless specifically authorised by the CFO, no member of staff other than finance staff of a school within the Trust may place orders electronically through the internet. This provision is to ensure that the controls set out elsewhere in this document are applied when this method of procurement is used. In the event of the e-procurement facility being introduced by the MAT

Budget holders, the CFO and finance staff of schools within the Trust may place orders using the e-procurement system.

Purchase Commitments

5.9. The minimum required number of tenders or quotations from appropriate contractors for a given estimated value of contract are:

- **Expected cost up to £1,000, excluding VAT** – Budget Holder shall use good sense as to the need to obtain information in addition to an estimate from a supplier
- **Expected cost in excess of £1,000, and up to £10,000 excluding VAT** – two oral quotations
- **Above £10,000 and up to £40,000, excluding VAT** – at least three written quotations should be obtained for all orders between £10,000 and £40,000 to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by the Budget Holders for audit purposes. Telephone quotes are acceptable if these are evidenced and written confirmation of quotes has been received before the purchase decision is made.
- **Above £40,000 and up to £100,000, excluding VAT** - three formal quotations should be obtained for all orders plus approval by the Finance, Audit & Resources committee.
- **Above £100,000, excluding VAT, and up to EU thresholds** – all goods/services ordered with a value over £100,000, or for a series of contracts, which in total exceed £100,000 must be subject to formal tendering procedures, Four tenders should be obtained
- **Over EU thresholds** five tenders are required

The values are for single items or groups of items and must not be desegregated artificially

- Expected cost in excess of the limits specified from time to time in the European Public Procurement Regulations shall require full competitive tendering, as described in those regulations, which includes the requirement to advertise in the Official Journal of the European Communities. For the avoidance of doubt, the current limit ,as at January 2018 and set for 2 years is £181,302 for supplies and services and £4,551,413 for works.

5.10. In general terms a 'set' of items includes a group of items of a similar nature to be brought for the same or a similar purpose and required at the same or a similar time. Any question of whether a group of items constitutes a set must be referred to the CFO. It is strictly forbidden to raise multiple orders in an attempt to circumvent the above rules.

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- 5.11. Where it is impractical or of little benefit to the MAT to obtain evidence of best value of expenditure up to £10,000 – The CFO has the right to authorise this expenditure but must notify the CEO at the earliest possible moment. Should the expenditure be between £10,000 - £40,000 authorisation must be sought from the CEO and above £40,000 from the CEO and the Chair of Finance, Audit & Resources committee before the expenditure is approved. However this waiver authority does not apply to the requirement to follow the European Public Procurement Regulations.
- 5.12. In respect of items that are, in the opinion of an approval signatory, of a technical nature, the Budget Holder must attach to the order a summary showing how the quotes or tenders compare with each other. In all cases, if a quote or tender other than the lowest is preferred, clear reasons must be given for this.
- 5.13. All purchase requisitions and outsourced service contracts for commitments must be presented, with full supporting documentation when in excess of £1,000, to the Finance team of the schools within the Trust for checking. If this appears to be in accordance with the regulations, the requisition must then be approved as follows:
- For purchases **up to £2,000** – the Operations Manager
 - For purchases **up to £5,000** – the Principal/Director of Operations
 - for purchases in excess **of £5000 up to £10,000** – CFO
 - for purchases **in excess of £10,000 - £40,000** - the CFO and the CEO
 - for purchases **in excess of £40,000** - the CFO, CEO and the Chairman of the Finance, Audit & Resources Committee.

The above approvals are required before any commitment, verbal or written, is made. These limits of approval apply also to the signing of any related contract or agreement. Following approval the Finance team of the school within the Trust is responsible for sending out the purchase order or outsourced service contract and maintaining the best value evidence

Tendering

All purchases with a value greater than £100,000 must be put out to formal tender. The following procedures must be followed in such circumstances:

5.14. A specification will be prepared, authorised by the chair of the Finance, Audit & Resources Committee and CEO and sent to at least three suppliers. It is anticipated that for any major building works of a value greater than £50,000 the services of an architect would be engaged to deal with the handling of specifications and suitability to tender.

5.15 Where appropriate, the suppliers invited to tender should be drawn from an approved list **or** from those agreed with the architect. Otherwise, invitations to submit tenders will be advertised in local newspapers and trade journals if appropriate. The invitations to tender will include:

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- (a) an introduction/background to the project;
- (b) the scope and objectives of the project;
- (c) any technical requirements;
- (d) implementation details for the project;
- (e) the terms and conditions of the tender; and
- (f) the form and date of response to the MAT, or in the case of building works, to the architect or quantity surveyor.

5.16 All replies, if to the school, should be addressed to the Operations Manager in a plain sealed envelope marked 'Tender' to reach him/her by a specified date or if to the Trust, should be addressed to the CFO in a plain sealed envelope marked 'Tender' to reach him/her by a specified date. All replies must be kept sealed until that date and passed to the chair of the relevant committee.

5.17 All tenders will be opened at the same time and details of the contractor, quotation and any other details recorded at the time of opening,

5.18 No contractor will be allowed to amend the tender after the time fixed for receipt.

5.19 The Operations Manager/CFO will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.

5.20 For purchases up to £100,000, provided the expenditure is included in the budget, the decision as to which tender to accept will be taken by the CEO, in consultation with the CFO and the chair of Finance, Audit & Resources Committee.

5.21 For purchases exceeding £100,000, provided the expenditure has been budgeted for, a decision will be recommended by the Finance, Audit & Resources committee. The decision will need to be ratified by the Trust Board

5.22 Where expenditure is not included in the budget or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept will be taken by the Finance, Audit & Resources committee of the Trust Board, in line with their terms of reference and then ratified by the Trust board; and

5.23 The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender. All decisions must be reported to the Trust Board.

ACCEPTANCE OF TENDER

5.24 The following points will be considered when deciding which tender to accept:

5.25 The overall price and the individual items or services which make up that price.

5.26 Whether there are any 'hidden' costs; that is additional costs which the MAT will have to incur to obtain a satisfactory product.

5.27 Whether there is scope for negotiation, while being fair to all tenderers.

5.28 The qualifications and experience of the supplier, including membership of professional associations.

5.29 Compliance with the technical requirements laid down by the school.

ADVANTAGE SCHOOLS

- 5.30 Whether it is possible to obtain certificates of quantity.
- 5.31 The supplier's own quality control procedure; pre sales demonstrations, after sales service and, for building works, a six month defects period and insurance guarantees.
- 5.32 The financial status of the supplier.
- 5.33 References from other establishments.
- 5.34 Understanding & compliance with Health & safety, CDM regulations and Child Protection issues related to working on a school site
- 5.35 In the case of building works, where the tendering process is being carried out by the architect or quantity surveyor, they will be responsible for checking the documents of the lowest tender before making a recommendation to the MAT.
- 5.36 Once a tender is accepted an order should be issued immediately to the supplier in the normal way.
- 5.37. The successful contractor should be informed that all sites within the Trust are NON SMOKING sites

Building Contracts

- 5.38. Building contracts are the responsibility of the Finance, Audit & Resources Committee and are administered by the MAT's CFO in conjunction with external professional advisers.
- 5.39. Routine proposals will normally be initiated by the Operations Manager of the schools within the Trust and shared with the CFO in respect of planned replacements, general improvement schemes, space planning or in response to requests from departments.
- 5.40. Consultants may be appointed if the project, as determined by the Finance, Audit & Resources Committee, is too large or too specialised for the MAT's resources. Appointments shall be subject to tendering and/or other procedures where appropriate.
- 5.41. Proposals shall be presented in the form of costing's or investment appraisals as appropriate for Finance, Audit & Resources Committee approval. Investment appraisals should comply with appropriate ESFA guidance.
- 5.42 Following consideration by Finance, Audit & Resources Committee and approval by the Board, submissions should be forwarded to the ESFA where appropriate. If the required agreement is secured by the ESFA, ESFA procedural rules should be followed. ESFA guidance on best practice should be followed, where possible, even when ESFA approval is not required.
- 5.43. All contracts will attempt to secure best value for money.

Certification and payment of invoices

- 5.44. Suppliers should be instructed by Budget Holders to submit invoices for goods or services directly to the Finance team.

ADVANTAGE SCHOOLS

5.45. Payments will only be made by the Finance Team against invoices that have been certified for payment. Only Budget Holders, or their Delegated Representatives in cases of absence, may certify invoices. Certification of an invoice is evidenced by a dated signature and note of the purchase order number, and represents confirmation that:

- the goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory.
- invoice details (quantity, price, discount) are correct
- the invoice is arithmetically correct
- the invoice has not previously been passed for payment (i.e. is not a duplicate)
- where appropriate, an entry has been made on a stores record or departmental inventory.

5.46. Invoices should be passed to the Finance team as soon as they have been certified, and in any event within ten working days of receipt, unless under query.

5.47. If the original invoice appears to have been lost or mislaid, a Budget Holder may certify a copy, but must expressly state thereon that this is the case and confirm that it is not a duplicate certification.

5.48. Where a supplier offers prompt payment discounts the Budget Holder must ensure that invoices are certified in sufficient time that these may be obtained. However the Finance team is responsible for ensuring that the MAT takes advantage of all early settlement discounts if it is financially beneficial so to do.

Debit / Government Procurement Cards

5.49. MAT debit / procurement cards may be used only where the expenditure incurred is wholly and exclusively related to MAT activity.

5.50. The CFO shall determine the holders of such cards and determine appropriate credit limits.

5.51. Cardholders must obtain VAT receipts for any expenditure incurred.

5.52. The use of debit / procurement cards is subject to all the normal expenditure regulations including budget availability and best value.

5.53. The card holder is solely responsible for its secure use and must inform the issuing bank and CFO immediately in the event of its loss or theft.

Petty Cash

5.54. Where a single item, set of items, or service costing up to £50 is acquired on behalf of the MAT by a member of staff, following authorisation by the appropriate Budget Holder, it may be paid from petty cash. It should be supported by vouchers, and, where appropriate, VAT receipts. Student

travel claims and sundry refunds up to £50 may also be paid from petty cash, subject to the availability of funds.

- 5.55 Staff may be given temporary cash advances for expenditure to be incurred on behalf of the MAT at the discretion of the CFO. The member of staff will be held accountable for the advance until an authorised petty cash claim is received to cancel it.

6. Salaries, Wages and Temporary staff

General

- 6.1. The CFO (through the Payroll Provider) is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All time sheets and other pay documents, including those relating to fees payable to external examiners, visiting teachers or researchers will be in a form prescribed or approved by the CEO.
- 6.2. The total monthly payroll must be reviewed for accuracy prior to authorisation for payment. It must be authorised by the CEO and in his/her absence the CFO.
- 6.3. All MAT staff will be appointed to the salary scales approved by the Board through the Finance, Audit & Resources Committees, and in accordance with appropriate conditions of service. All letters of appointment must be issued by the CEO or by delegated authority to the CFO or Principal.
- 6.4. The following personnel/payroll items in relation to salaried staff will be prepared by the CFO (or delegated Operations manager) and approved by the CEO and notified to the Payroll Provider, with copies kept by the CFO:
- appointments, resignations, dismissals, suspensions, secondments and transfers
 - changes in remuneration relating to re-grading
 - changes in remuneration (including normal increments) and pay awards, honorariums
- 6.5. Managers within schools in the Trust with staff responsibility must inform the Operations Manager of the school within the Trust daily of:
- absences from duty for sickness or other reason, including leave other than routine annual leave.
- 6.6. The CFO is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.
- 6.7. The CFO, together with The Payroll Provider, shall be responsible for keeping all records relating to payroll including those of a statutory nature.
- 6.8. All payments must be made in accordance with HM Revenue and Customs regulations.

Pensions

- 6.9. The Board is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.
- 6.10. The CFO (through The Payroll Provider) is responsible for day to day pension matters including:
- paying of contributions to various authorised pensions schemes
 - preparing the annual return to various pensions schemes
 - resolution of queries in relation to individual's contributions
- 6.11. The CFO (or delegated Operations Manager), through The Payroll Provider, is responsible for administering eligibility to pension arrangements and for informing the payroll provider & pension provider when deductions should be made or ceased for employees.

Travel, Subsistence and Other Allowances

- 6.12. All claims for payment of travel, subsistence and incidental expenses shall be completed in a form approved by the CFO.
- 6.13. Signed claims by members of staff must be certified by the relevant Budget Holder (or the line manager in the case of the Budget Holder's own claim). The certification by the Budget Holder shall be taken to mean that the expenses are authorised, and were properly and necessarily incurred on behalf of the MAT.
- 6.14. Claims by the CEO must be authorised by the CFO or another Senior Post-holder. Claims by other Senior Post-holders must be authorised by the CFO or CEO. Claims by the CFO must be authorised by the CEO. Claims by Board Members must be in accordance with the approved policy on payments to Board Members, and authorised in accordance with that policy.
- 6.15. Overseas travel must be authorised in advance by the CEO. In the case of such travel by the CEO it must be approved by the Chairman of the Trust Board. In seeking authorisation staff must identify the benefits to the MAT of the activity, the full cost, and demonstrate that options other than direct travel have been considered.
- 6.16. Any advance, whether in cash or otherwise, must be fully accounted for by way of receipts. Any unsupported amounts must be repaid to the MAT promptly.
- 6.17. Claims should be made promptly, normally within two months. Late claims may be refused.

Severance and other non-recurring payments

- 6.18. Severance payments shall only be made in accordance with relevant legislation and under a scheme approved by the Trust Board through Finance, Audit & Resources Committee and,

where required, by the ESFA. No amounts shall be expended which exceed the budget allocated for the purpose. All such payments shall be authorised by the CEO and calculations checked by the CFO. Any individual amounts which do not fall within the parameters above or are in excess of £10,000 require approval by the Finance, Audit & Resources Committee. In exceptional circumstances this approval may be given by the Chair of the Board and the Chair of Finance, Audit & Resources Committee in consultation with the CEO, to be reported to the next meeting of the relevant committee.

- 6.19. All matters referred to an Industrial Tribunal shall be notified to Finance, Audit & Resources Committee at the earliest opportunity in order that budget provision may be made as necessary. All determinations of Tribunals must be similarly notified.

Engagement of Temporary staff

- 6.20. The CFO shall approve all arrangements for the engagement of agency or other temporary staff.
- 6.21. No agency or temporary staff shall be engaged unless the CEO has authorised the expenditure of pay budget in relation to the costs.
- 6.22. Part-time teaching staff may be engaged under arrangements agreed by the CEO up to a total hours limit awarded to a Budget Holder by the CFO.

Advances to staff

- 6.23. On written application by a member of staff setting out extenuating personal circumstances, or on occasions where error or omission by the MAT has led to a liability from a member of staff, the MAT may make temporary advances to be recovered by deduction from payroll. Amounts up to £500, for repayment periods not exceeding six months, may be authorised by the CFO. All other advances require the authorisation of the CEO.

7. Assets

Fixed Assets

Definition

- 7.1. A fixed asset is an item, or a set of items, owned or leased by the MAT, with an expected useful life of more than one year, and with a cost, excluding VAT, of more than £1,000. Fixed assets comprise land and buildings, including improvements, fixtures and fittings, equipment and furniture.
- 7.2. In general terms a 'set' of items includes a group of items of a similar nature to be bought for the same or a similar purpose and required at the same or a **similar time**. Any question of whether a group of items constitutes a set must be referred to the CFO.

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- 7.3. Expenditure on repairs to and refurbishment of assets is not capital expenditure and such costs therefore have to be met from the revenue budget. However, if the expenditure substantially enhances the net book value of an asset it must be capitalised and should form part of the capital budget. It is the responsibility of the CFO to determine the appropriate treatment in each case.

General

- 7.4. The purchase, lease or long term rental of fixed assets can only be undertaken with authority from the Board, normally through the capital budget process as outlined in Section 3 of these regulations, and with reference to ESFA requirements where exchequer funded assets or exchequer funds are involved. Any items not falling within an approved capital programme shall be referred to the full Board.
- 7.5. Revenue budgets may not be used for acquiring fixed assets. However revenue funds may be vired subject to the approval of the CEO and the CFO (see 'Virements' in Section 3).
- 7.6. Property must be revalued at least every five years, unless otherwise agreed by the Board. Any adjustment must be recorded in the revaluation reserve.
- 7.7. The following amortisation and depreciation rates will be charged to the income and expenditure accounts:-

• Land	Nil
• Permanent Buildings	2%
• Vehicles	14%
• Plant and machinery	20%
• Fixture and fittings and general equipment	20%
• Computer equipment and software	25%

- 7.8. Key Budget Holders (Principals) are responsible, in the first instance, for the security of all fixed assets allocated to, or purchased for, their area. They must refer any concerns to the CFO. In addition, Key Budget Holders must ensure that the CFO is advised in writing of any proposed transfer of an asset to another location.
- 7.9. The CFO for the trust and delegated Operations Managers in individual schools are responsible for maintaining a fixed asset register, and for physically checking the continued existence of a sample of recorded assets, on a regular basis.

Inventories

Definition

- 7.10. An inventory item is an item with an expected useful life of more than one year, and with a cost, excluding VAT, or value of up to £1,000. These items would normally be acquired through the revenue budget.

General

- 7.11. Budget Holders are responsible for maintaining a record of all inventory items of a portable or desirable nature. The inventory must include items donated or held in trust.
- 7.12. Key Budget Holders are responsible for the security of all inventory items allocated to, or purchased for, their area. The use of inventory items must be authorised in all cases. In addition, Key Budget Holders must ensure that the CFO is advised in writing of any proposed transfer of an inventory item to another location.
- 7.13. The CFO is responsible for checking inventory records regularly to ensure the continued existence of all recorded items.

Asset Disposal

- 7.14. Disposal of equipment and furniture must be authorised by a Operations Manager in consultation with the CFO & Principal. Items with a net book value in excess of £500 will require three independent offers to purchase.
- 7.15. Disposal of land and buildings must only take place with the authorisation of the Trust Board who may delegate various aspects to committees as necessary. ESFA consent may also be required if exchequer funds were involved in the acquisition of the asset. This will have to be referred to the Secretary of State in most instances as per our Funding Agreement.

Stocks and Stores

Definition

- 7.16. Stocks and stores comprise all groups of consumable items with an expected collective value in excess of £1,000 at the MAT's financial year-end. These items are consumed in the furtherance of MAT's business.
- 7.17. Stocks and stores include, but are not limited to, catering stock, design technology consumables, laboratory items and materials and equipment held for resale.
- 7.18. Exceptionally, stocks of items easily convertible into cash, such as vouchers and postage stamps, regardless of value are also covered by the regulations relating to stocks and stores.

General

- 7.19. Key Budget Holders are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their operational areas. The CFO must approve the systems used for stock and stores accounting in operational areas.

ADVANTAGE SCHOOLS

- 7.20. Key Budget Holders are also responsible for ensuring the safe storage of stocks and stores of a hazardous nature. The relevant Operations Manager's advice and guidance must be sought in the event of any doubt or concern whatsoever.
- 7.21. Key Budget Holders must organise an annual stock check of all areas of stocks and stores under their control, normally at the financial year-end (31 August). They must ensure that the stocktaking procedures in place have the approval of the CFO and that instructions to appropriate staff within their operational areas are issued in accordance with advice from the CFO. For reasons of internal control, the Operations Manager must ensure that staff who are not involved in the custody of the stock concerned attend each stock check.

Security of Assets

- 7.22. Key Budget Holders are responsible for maintaining proper security at all times for all buildings, stock, stores, furniture, cash, etc. under their control. They must consult the CFO whenever such security is thought to be defective or where it is considered that special security arrangements may be needed.
- 7.23. Keys to safes or other similar containers shall be kept in secure places as agreed by the CFO, and the Operations Manager must maintain a register of key-holders. The loss of such keys must be reported to the CFO immediately. Only the CFO, or in his/her absence the Director of Operations or CEO, may authorise additional copies.
- 7.24. The CFO shall be responsible for maintaining proper security and privacy of information held on computer. Access to computer networks must be restricted to authorised persons by the use of passwords and any other appropriate type of security control. Information relating to individuals held on computer or paper will be subject to the provisions of the Data Protection Acts. In this regard the CFO will fulfil the function of data protection officer to be responsible for the MAT's compliance with the Acts.
- 7.25. Fixed asset, inventory, stores and stock losses may be written off in accordance with 7.14 above.

8. Banking and Treasury Management

Appointment of Bankers

- 8.1. The CFO is responsible, on behalf of the Finance, Audit & Resources Committee, for liaising with the MAT's bankers in relation to the MAT's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the CFO who shall make proper arrangements for their safe custody.

Banking arrangements

- 8.2. Only the CFO and the CEO, together may open or close a bank account for dealing with the MAT's funds following authorisation from the Finance, Audit & Resources Committee. All bank accounts shall be in the name of the MAT.
- 8.3. Cheque signatories for the Trust are the Chair of the Trust, the Chair of the Finance, Audit & Resources Committee, CEO and the CFO. Individual schools may have a cheque book for occasional usage in which case signatories will be the Principal, Director of Operations, CFO and CEO. All cheques drawn on behalf of the MAT, or any other payment request to the MAT's bankers, must be signed by two cheque signatories. Cheques and other payment requests in excess of £40,000, and all standing order or direct debit instructions, must be signed by three of, the CFO, the CEO, the Chair of the Trust or, the Chair of the Finance, Audit & Resources Committee.
- 8.4. Any change to the above arrangements requires the approval of the Board.
- 8.5. The CFO is responsible for ensuring that all bank accounts are subject to prompt and regular reconciliation.

Treasury Management

General

- 8.6. The MAT shall endeavour to maximise its liquidity at all times, without compromising its relationship with suppliers. Funds that are surplus to immediate requirement must be invested in accordance with the MAT's Investment Policy, which may only be amended with the approval of the Board.

Cash flow monitoring

- 8.7. A twelve-month rolling cash flow forecast must be included in the management accounts, and appropriate procedures should be in place to monitor cash flows on a day-to-day basis.

9. Other

Risk Management

- 9.1. The CEO is responsible for developing a risk management strategy in order to identify the material risks facing the MAT and actions required to manage these risks. The strategy should include important potential liabilities such as terrorism and be sufficient to meet any potential risk to assets and MAT operations. This will be considered and approved by the Finance, Audit & Resources Committee on an annual basis.
- 9.2. A significant element of the risks identified by this strategy will be financial risks. A summary of these will be considered by the Finance, Audit & Resources Committee annually.
- 9.3. The CFO is responsible for effecting insurance cover as determined by Finance, Audit & Resources Committee. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. He/she will also deal with the MAT's insurers and advisers about specific insurance problems.
- 9.4. All Principals and Department Heads of the schools within the Trust must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the MAT may be exposed. The CFO's advice should be sought to ensure that this is the case. All Heads must give prompt notification to the CFO of any potential new risks and additional property and equipment which may require insurance and any alterations affecting existing risks.
- 9.5. All Principals and Department Heads of the schools within the Trust must advise the CFO, immediately, of any event which may give rise to an insurance claim. The CFO will notify the MAT's insurers and, if appropriate, prepare a claim in conjunction with the Principal of the relevant school for transmission to the insurers.
- 9.6. The CFO will keep a register of all insurances affected by the MAT and the property and risks covered.
- 9.7. The CFO is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.
- 9.8. All staff using their own vehicles on behalf of the MAT shall maintain appropriate insurance cover for business use.

Taxation

- 9.9. The CFO is responsible for advising all Principals in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the MAT. Therefore the CFO will issue instructions to departments on compliance with statutory requirements including those concerning VAT, PAYE, national insurance, corporation tax and import duty.

- 9.10. The CFO is responsible for maintaining the MAT's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

Fraud and Irregularity

- 9.11. Any member of staff who believes there is evidence of fraud or irregularity should bring it to the attention of their own line manager or the relevant budget holder, and the CFO. Any concerns in relation to the finance office may be reported direct to the CEO.
- 9.12. Any member of staff who makes a report of this nature shall be protected from detrimental action by colleagues as a result of the disclosure of such evidence, perceived or otherwise, save for any such report subsequently being proved malicious or frivolous. Such protection is afforded under the terms of the Public Interest Disclosure Act 1998, and the MAT's Whistle Blowing Policy
- 9.13. Where the CEO or CFO considers that there is evidence of fraud or irregularity in excess of £500 the Finance and Audit Committee and Chairman of the Board must be informed immediately. The MAT's Fraud and Anti-corruption Policy must be followed.
- 9.14. Any member of staff who believes that the CFO or the CEO would be unable to consider the matter objectively should consult another Senior Leader or the Company Secretary (or other Board member if the Company Secretary is the CFO) to the Board, who shall advise the Finance, Audit & Resources Committee and the Chairman of the Board in order that an action plan may be formulated in accordance with the MAT's Fraud and Anti-corruption policy.
- 9.15. The MAT will maintain a Register of Gifts and Hospitality which will be reviewed annually by the Finance, Audit & Resources Committee.

Use of the MAT Seal

- 9.16. Where a deed or document requires the MAT's seal, it must be sealed by the Company Secretary to the Board in the presence of a member of the Board.
- 9.17. The Company Secretary to the Board is responsible for submitting a report to each meeting of the Board detailing the use of the MAT's seal since the last meeting, where there is a seal in existence and it has been used.

Endowment and other trust funds

- 9.18. The CFO is responsible for maintaining a record of the requirements for each trust fund and for advising Finance, Audit & Resources Committee on the control and investment of fund balances.

ADVANTAGE SCHOOLS

- 9.19. Finance, Audit & Resources Committee is responsible for ensuring that all the MAT's trust funds are operated within any relevant legislation and the specific requirements for each trust, discharging the MAT's role as corporate Trustee.

Accounting and Learner recording software

- 9.20. The software to support the accounting, payroll and learner records of the MAT is recognised as fundamental to efficient processes and reliable data.
- 9.21. Upgrades to the software should be recorded by the CFO.
- 9.22. Any changes to the systems should be in accordance with a procedure approved by Finance, Audit & Resources Committee. It is likely that formal tendering procedures will be adopted and that Finance, Audit & Resources Committee will give final acceptance of any tenders.

The Schools' Funding Agreement and the Academies Financial Handbook should be considered when applying this policy