

Aspire Learning Trust

Trust Financial Regulations Policy



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1. Introduction

The purpose of this manual is to ensure that the Trust maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE).

The Trust must comply with the principles of financial control outlined in the academies guidance published by the DfE. This manual expands on that and provides detailed information on the Academy's accounting procedures. The systems manual should be read by all staff involved with financial systems.

2. Organisation

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

a) The Board of Directors

The Board of Directors has overall responsibility for the administration of the Trust's finances. The main responsibilities of the governing body are prescribed in the Funding Agreement between the Trust and the DfE and in the Trust's scheme of governance. The main responsibilities include:

- ensuring that grant from the 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;
- appointment of the CEO and,
- appointment of the Trust Finance Director, in conjunction with the CEO;

b) The Finance & Infrastructure Committee

The Finance & Infrastructure Committee is a committee of the Trust Board, which meets twice per term, but more frequent meetings can be arranged if necessary.

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

- the initial review and authorisation 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 2006 and the DfE guidance issued to academies;
- authorising the award of contracts over £50,000;

- authorising changes to the Trust personnel establishment and,
- reviewing the reports of the Chair of Finances on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board.

c) **The CEO**

Within the framework of the Academy scheme of delegation, as approved by the Trust Board, the CEO has overall executive responsibility for the Trust's activities, including financial activities. Much of the financial responsibility has been delegated to the Trust Finance Manager, but the CEO still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any senior staff posts which the governing body have agreed should be approved by them;
- authorising contracts between £1,000 and £50,000 in conjunction with the Trust Finance Manager;
- signing cheques up to £15,000 in conjunction with the or other authorised signatory.

d) **The Trust Finance Manager**

The Trust Finance Manager works in close collaboration with the CEO and the Principal/ Executive Headteacher through whom he or she is responsible to the governors and the Trust Board. The Finance Manager also has direct access to the Board via the Finance & Infrastructure Committee. The role is to provide strategic vision and operational leadership in the operation, maintenance and development of systems, processes and procedures relating to financial management.

The main responsibilities of the Trust Finance Manager are:

- the establishment and operation of a suitable accounting system;
- the management of the Academy financial position at a strategic and operational level within the framework for financial control determined by the governing body;
- implementation and operation of rigorous and robust audits and 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 and annual management accounts;
- the day-to-day management of financial issues;
- to provide day-to-day guidance and support to the finance and payroll staff;
- ensure finance and payroll systems are effectively managed;
- assisting with writing bids for funding and development;
- the maintenance of effective internal controls;
- authorising orders below £1,000 in conjunction with budget holders;
- to manage the tendering of all service contracts;
- monitoring all insurance policies.

e) **Other Staff**

Other members of staff will have some financial responsibilities. All staff are responsible for the security of Trust 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.

3. Register of Interests

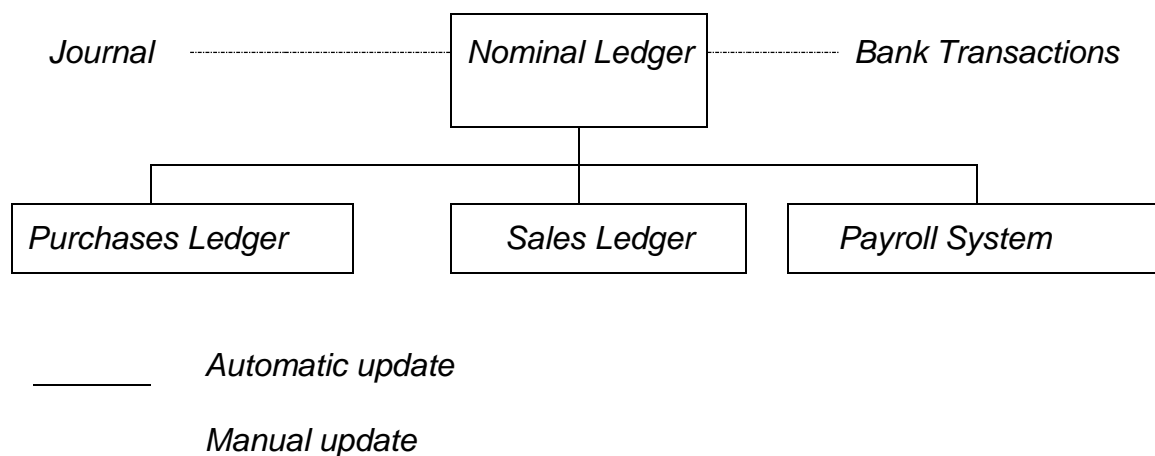
It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Trust Directors, governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the Trust 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 Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a governor or a member of staff by that person.

The existence of a register of business interests does not, of course, detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the governing body or a committee. Where an interest has been declared, governors and staff should not attend that part of any committee or other meeting.

4. Accounting system

All of the financial transactions of the Trust must be recorded into SAGE, our computerised financial information accounting system. This system is operated by the Finance Department and consists of:



a) System Access

Entry into SAGE is password restricted and the Trust Finance Manager is responsible for implementing a system which ensures that passwords are changed at least every six months. When passwords are changed the new password should be placed in a sealed envelope and passed to the Trust Finance Manager to keep in the safe. The Trust Finance Manager is responsible for implementing a system which ensures that passwords are changed regularly. Access to the component parts of SAGE are restricted to the Finance Team who are responsible for setting access levels for all members of staff using the system.

5. Financial Planning

The Trust prepares both medium term and short-term financial plans. The medium term financial plan is prepared as part of the development planning process. The development plan indicates how the Trust's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

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

6. Annual Budget

The Trust Finance Manager is responsible for preparing and obtaining approval for the annual budget for SHSCC and Aspire Learning Trust. The budget must be approved by the CEO and the Trust Board.

The approved budget must be submitted to the DGE by 31st August each year and the Trust Finance 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 Trust for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- review of other income sources available to the Trust to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of the A Trust 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.

7. 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.

8. Finalising the Budget

Once the different options and scenarios have been considered, a draft budget should be prepared by the Trust Finance Manager for approval by the CEO, the Finance & Infrastructure Committee and the Trust Board. 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.

9. Monitoring and Review

Monthly reports will be prepared by the Trust Finance Manager. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the CEO and the Finance & Infrastructure Committee.

Any potential overspend against the budget must in the first instance be discussed with the Trust Finance Manager. The accounting system will not allow payments to be made against an overspent budget without the approval of the Trust Finance Director and the CEO.

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 wire money from another budget or from the contingency. All budget wires over £15,000 must be authorised by the Finance & Infrastructure Committee, and from £5000 to £15000 by the CEO

10. Payroll

The main elements of the payroll system are:

- staff appointments;
- payroll administration;
- payments.

a) Staff Appointments

The Trust Board via each of the LGB has approved a personnel establishment for the schools in the Trust. Changes can only be made to this establishment with the express approval in the first instance of the Finance & Infrastructure Committee and CEO who must ensure that adequate budgetary provision exists for any establishment changes.

The Principal/Executive Headteacher has authority to appoint staff within the authorised establishment, except for Deputy Headteachers/Principals, whose appointments must follow consultation with the governors. The Principal//Executive Headteacher maintains personnel files for all members of staff which include contracts of employment.

b) Payroll Administration

The Trust payroll is administered through the Trust's payroll provider. All staff are paid monthly through the Trust payroll provider. A master file is created for each employee which records:

- salary;
- bank account details;
- taxation status;
- personal details;
- any deductions or allowances payable.

New master files can only be created by the Personnel Manager with the express approval of the CEO. Any master file amendments made by the Personnel Manager must be printed out each month prior to the payroll run and must be authorised by the CEO.

Each section head must complete a monthly staff return which provides details for all staff in the section of sickness and other absences during the month and any new appointments or terminations. The staff return must be authorised by the nominated budget holder. Authorised staff returns should be sent to the Finance Department who then files the documents for payroll processing.

c) Payments

Before payments are dispatched a printout of all data should be obtained from the payroll provider and this should be checked against source documentation by the Finance Department and then reviewed and initialled by the Personnel Manager. Authority to release payment will be by the Principal//Executive Headteacher.

All salary payments are made by BACS. The payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. After the payroll has been processed the nominal ledger will be automatically updated. Postings will be made both to the payroll control account and to individual cost centres. The Finance Department should review the payroll control account each month to ensure the correct amount has been posted from the payroll system, individual cost centres have been correctly updated.

On an annual basis the Personnel Manager must check for each member of staff that the gross pay per the payroll system agrees to the contract of employment held on the personnel file.

11. Purchasing

The Trust wants to achieve the best value for money from all of our 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.

a) Routine Purchasing (see Appendix A):

Budget holders will be informed of the budget available to them at least one month before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Data detailing actual expenditure and committed expenditure (orders placed but not paid for) against budget will be supplied to each budget holder each month.

All orders must be made, or confirmed, in writing using an official order form, stocks of which are held in the Finance Department. Orders must bear the signature of the budget holder and must be forwarded to the Finance Department where the Trust Finance Manager will check to ensure adequate budgetary provision exists before placing the order.

Approved orders will be recorded in the purchase order module of the financial information system which allocates a reference number. Orders will be dispatched to the supplier from the Finance Department

On receipt the budget holder must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay by the Finance Department.

The Finance Department will return any goods that are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality. The Finance Department will keep a central record of all goods returned to suppliers.

All invoices should be sent to the Finance Department. Invoice receipt will be recorded by the Finance Department.

The Finance Department will then input details of payments to be made to the purchase ledger and generate the cheques required. The cheques and associated paperwork must be authorised by two of the nominated cheque signatories. Cheques will be dispatched to suppliers by the Finance Department.

Orders over £500, but less than £2,000:

At least three oral quotations should be obtained for all orders where the total value is over £500, but under £2,000, to identify the best source of the goods/services. These should be noted in the space provided on the Trust Internal Order Form (Appendix A)

Orders over £2,000, but under £5,000:

All goods/services ordered with a value over £2,000 but under £5,000, must be secured with at least three written quotations, which must be attached to the Internal Order form (Appendix A), to identify the best source of the goods/services.

Orders over £5,000, but under £30,000:

All goods/services ordered with a value over £5,000, but under £30,000, must be secured with at least three written quotations, which must be attached to the Internal Order form (Appendix A), to identify the best source of the goods/services. Quotations must then be viewed by the Principal before any order is approved and raised.

Orders over £30,000, but under £75,000:

All goods/services over £30,000, but under £75,000 must be secured following four suppliers being invited to tender. Quotation Standing Orders are suspended only if the following conditions are met:

- The order is placed with ESPO or a current Dealing Direct ESPO contractor;
- The identical item is cheaper from another supplier than ESPO – in which case note the ESPO/Dealing Direct price as a quotation/reference in the space on the Internal Order Form (see Appendix A);
- The item is only available from one source, i.e. a specialist part.

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

12. Open Tender

This is where all potential suppliers are invited to tender. The Finance and Infrastructure Committee must discuss and agree with the Trust Finance 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.

13. 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.

14. 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.

15. 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.

16. 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
- form of response.

17. 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 standard;
- Quality control procedures;
- Details of previous sales and references from past customers.

Other Considerations:

- Pre sales demonstrations;
- After sales service;
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

18. 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.

19. 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 £25,000 - two of the budget holder, the Principal//Executive Headteacher or the CEO;
- For contracts over £25,000 - the CEO and a member of the Finance and Infrastructure 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.

20. 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

a report should be prepared for the Finance & Infrastructures Committee highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the Finance & Infrastructure Committee.

Where required by the conditions attached to a specific grant from the DFE, 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 Trust. All parties should then be informed of the decision.

21. Income

The main sources of income for the Trust are the grants from the DFE. The receipt of these sums is monitored directly by the Trust Finance Manager who is responsible for ensuring that all grants due to the Trust are collected.

The Academy also obtains income from:

- students, mainly for trips;
- the public, mainly for sports lettings.

a) Trips

A lead teacher must be appointed for each trip to liaise with Reception and the Finance Office. Reception and the Finance Office will take responsibility for the collection of sums due. The lead teacher will have access to a record for each student intending to go on the trip showing the amount due, in order to assist staff when chasing any outstanding payments or for clarification when parents/careers make contact with the school/College.

Students should make payments to Reception. A record of all monies collected is kept and the value of the amount received recorded against the student making the payment.

The Finance Department should maintain an up to date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher and the lead teacher is responsible for chasing the outstanding amounts.

b) Sports Lettings

The Site Manager is responsible for maintaining records of bookings of sports facilities and for identifying the sums due from each organisation in partnership with the Finance Department. Payments must be made in advance for the use of facilities.

Details of organisations using the sports facilities will be held by the Finance Department who will establish a sales ledger account and produce a sales invoice from the Financial Information accounting system.

No debts should be written off without the express approval of the governing body (the DfEs prior approval is also required if debts to be written off are above the value set out in the annual funding letter).

Organisations using the sports facilities should be instructed to send all payments to the

Finance Department.

22. Custody

Official, pre-numbered Trust receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the Finance Department safe prior to banking. Banking should take place every week or more frequently if the sums collected exceed the £2,000 insurance limit on the Finance Department safe.

Monies collected must be banked in their entirety in the appropriate bank account. The Finance Department is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Trust Finance Manager.

23. Cash Management:

a) Bank Accounts

The opening of all accounts must be authorised by the governing body who must set out, in a formal memorandum, 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.

b) 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;
- a reference, such as the number of the receipt or the name of the debtor.

c) Payments and Withdrawals

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

- CEO;
- Associate Principal/ Executive Headteacher;
- Chairman of Trust Board;
- Chairman of Finance & Infrastructure Committee.

This provision applies to all accounts, public or private, operated by or on behalf of the Trust Board. Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

24. Administration

The Trust Finance Manager must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:

- all bank accounts are reconciled to the Trust's cash book;
- reconciliations are prepared by the Finance Department;
- reconciliations are subject to an independent monthly review carried out by The Chair of Finance and Infrastructure or in his/her absence the Responsible Officer (RO) and adjustments arising are dealt with promptly.

a) Petty Cash Accounts

The Trust maintains a maximum cash balance of £300. The cash is administered by the Finance Department and is kept in the office safe.

b) Deposits

The only deposits to petty cash should be from cheques cashed specifically for the purpose. The receipt should be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason should be paid directly into the bank.

c) Payments and Withdrawals

In the interests of security, petty cash payments will be limited to £40. Higher value payments should be made by cheque directly from the main bank account as a cash book payment.

d) Administration

The Finance Department is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash counts should be undertaken by the Finance Department to ensure that the cash balance reconciles to supporting documentation.

e) Physical Security

Petty cash should be held in a locking cash box which is put into the safe overnight.

25. Cash Flow Forecasts

The Trust Finance 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 can be foreseen, steps should be taken to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to re-profile Income and Expenditure to cover potential cash shortages.

26. Investments

Investments must be made only in accordance with written procedures approved by the governing body.

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.

27. Fixed assets

Asset register:

All items purchased with a value over the Academy's capitalisation limit of £5,000 must be entered in an asset register. The asset register should include the following information:

- asset description;
- date of acquisition;
- asset cost;
- source of funding (% of original cost funded from DFE grant and % funded from other sources);
- expected useful economic life;
- depreciation;
- current book value.

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;
- to support insurance claims in the event of fire, theft, vandalism or other disasters.

28. 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 governing body. 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.

29. Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Trust Finance Director and the CEO, and, where significant, should be sold following competitive tender. The Trust must seek the approval of the DFE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Trust would need to ensure licences for software programmes have been legally transferred to a new owner.

The Trust is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other Trust assets. If the sale proceeds are not reinvested, then the Trust must repay to the DFE a proportion of the sale proceeds.

All disposals of land must be agreed in advance with the Secretary of State.

30. Loan of Assets

Items of Trust property must not be removed from Trust premises without the authority of the Principal/Executive Headteacher. 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 Trust's auditors.

Annex B: Procurement - Best Practice Checklist

1. Policies and procedures for procurement should be documented and adhered to, to ensure that the process is being carried out on a fair, open and best value basis. The documentation should describe:
 - roles and responsibilities of those involved in procurement (e.g. Trust Baard, CEO, Principal/ Executive Headteacher, Trust Finance Manager, other Senior Managers and the Central Finance Department);
 - delegated authority levels, in particular setting out the procedures to be followed for purchases above specified values, to ensure sufficient levels of oversight by the Board;
 - arrangements to ensure segregation of duties;
 - how purchases are recorded (papers records and computer records (e.g. accounting system arrangements)).

In all cases it is important to ensure that the procedures that are set out are followed, both for routine day to day procurement, and for periodic high value items.

2. Where appropriate, individuals with relevant experience, including the end-users (e.g. ICT managers, teachers), should be involved when putting together invitations to tender, or making key decisions. This will not only aid selection of the best solutions for the Academy, but may also help achieve buy-in by the end-users.
3. An officer should be nominated for co-ordinating the initial procurement of assets and stocks of teaching and learning materials, during the Trust's start-up period. This person should provide an assessment of the completeness and reasonableness of items procured, to ensure that all essential purchases are made prior to opening, and that a non-essential purchases are challenged.
4. Procurement decisions should be clearly recorded to ensure that the decision has been reached fairly and to provide a clear audit trail:
 - minutes should be taken of all relevant meetings;
 - the options available should be recorded;
 - the basis for scoring/ranking should be set out;
 - the individuals responsible for scoring/ranking should be identified;
 - the outcome of the scoring and the final decision should be recorded;
 - the reasons on which the decision was reached should be clearly documented.
5. All key documents should be retained together by the Trust. This includes:
 - invitations to tender;
 - tenders received from bidders;
 - quotes obtained for smaller purchases;
 - papers/minutes documenting the procurement decision;
 - signed copies of the contracts awarded;
 - invoices.

Where procurement is carried out with the assistance of an external project management company (for example the initial procurement of ICT, furniture and equipment prior to moving into a new building), key documents should be transferred to, and retained by, the Academy prior to cessation of the contract with the project management company.

6. An asset register of all capital items should be established in an appropriate format and should be updated on a continual basis as assets are purchased. The register should include:
 - asset description;
 - asset number;
 - serial number;
 - date of acquisition;
 - asset cost;
 - source of funding (% of original cost funded from DFE grant and % funded from other sources);
 - expected useful economic life;
 - depreciation;
 - current book value;
 - location;
 - name of member of staff responsible for the asset.

Updating of the register as assets are procured should ensure that it is always current and should ease the task of end of year asset verification. It should also simplify the setting of insurance levels and the handling of any claims.

A similar register should also be maintained of “attractive items” (i.e. items with a cost below the Academy’s capitalisation threshold) such as minor office equipment.

7. Fitness for purpose should be a key consideration in any procurement decision (e.g. ICT should be of the correct specification; fixtures and fittings should be of adequate durability).
8. Opportunities should be taken for bulk purchase discounts, for example by combining similar orders.
9. When ordering goods an assessment of likely delivery timeframes should be made, to ensure that appropriate staff are available on site to receive them (particularly during school holidays), and that adequate space is available to locate or store the delivery.