BORDEN GRAMMAR SCHOOL

Finance Policy

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1. Introduction

The Trustees of Borden Grammar School are committed to providing sound financial controls, to achieving value for money and to being worthy custodians of public money. To achieve these aims the Headteacher and the Board of Trustees have drawn up this Finance Policy to provide the guiding principles for which all Trustees and staff will operate within the traditional model of Governance. This Policy has been drawn up in accordance with guidance included in the Academy Trust Handbook (ATH) issued by the Department for Education (DfE), and with consideration of the Procurement Act 2023 and other relevant legislation.
The academy will adhere to the following principles:

- The responsibilities of the Board of Trustees, its committees, the Headteacher, School Business Manager and other staff will be clearly defined and limits of delegated authority established, where applicable.
- The academy will apply the four best value principles in its management and allocation of resources, being:
    - Compare – comparing our performance with that of other schools
    - Challenge – challenging if our performance is high enough and why and how a service is being provided
    - Compete – demonstrating how we secure economic, efficient and effective services
    - Consult – seeking the views of staff and parents about the services we provide
- The academy will establish sound internal financial controls.
- The budgets will reflect the school's educational objectives identified in the School Improvement Plan.
- The budgets will be subject to effective monitoring, allowing the Trustees, Headteacher and staff to maintain financial control by reviewing the current position and taking any remedial action necessary.
- The academy will be adequately insured against the exposure to risk.

Recent Legislative Updates
This section outlines new and updated legislation that impacts the academy's financial policy and procedures. The school will ensure its practices are aligned with these changes.

- **National Funding Formula (NFF):** The Department for Education (DfE) continues its transition towards a direct National Funding Formula. For the 2026–27 funding year, Academy funding is based on the 2026–27 NFF rates and includes funding previously distributed through separate grants, including earlier National Insurance and pay-related grants within General Annual Grant (GAG) allocations.
- **Minimum Per-Pupil Funding Levels:** The minimum per-pupil funding levels for 2026-27 have been raised to **£5,115 for primary-aged pupils and £6,640 for secondary-aged pupils**. The academy will ensure its funding allocations meet or exceed these statutory minimums.

2. Organisation

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

The Board of Trustees
The Board of Trustees has overall responsibility for the administration of the academy's finances. The main responsibilities of the Board of Trustees are prescribed in the Funding Agreement

between the academy and the DfE and in the academy's scheme of governance. The main responsibilities include:

• ensuring that grant from the DfE is used only for the purposes intended;
• approval of the annual budget;
• appointment of the Headteacher and
• appointment of the School Business Manager, in conjunction with the Headteacher.

The Finance & Resources Committee

The Finance & Resources Committee is delegated responsibility by the Full Board of Trustees for the following aspects of financial management;

- Evaluate and recommend the three year budget plan for approval by the Full Board of Trustees
- To review annually the Finance Policy and agree levels of delegation for approval by the Full Board of Trustees
- To review the Charges and Remissions Policy every three years for approval by the Full Board of Trustees
- To make decisions in respect of service agreements and insurance
- To advise the Full Board of Trustees of any consultations to change the DfE scheme for financing Schools
- To report monitoring and the outturn position to the Full Board of Trustees, highlighting any significant variances
- Evaluate any proposed virements
- Evaluate and report on tenders for contract services to the Full Board of Trustees
- Keeping in-school financial procedures under review
- Benchmark the school's financial performance and report to the Full Board of Trustees
- Evaluate and recommend the annual accounts and present to the Full Board of Trustees for approval prior to submission to the Directors of the Academy Trust
- Evaluate any other DfE requirements/returns and present to the Full Board of Trustees for approval prior to submission to the Directors of the Academy Trust
- Authorise the award of contracts over £25,000 in value
- Authorise additions/reductions to the academy personnel in conjunction with the Headteacher and the Finance & Resources Committee
- Review the reports of the Internal Control Monitor on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board of Trustees.

The Finance & Resources Committee meets at least once a term but more frequent meetings can be arranged if necessary.

The Headteacher

Within the framework of the academy school improvement plan as approved by the Board of Trustees the Headteacher has overall responsibility for the academy's activities including financial activities. The Headteacher is the identified Accounting Officer in the Funding Agreement. The Headteacher is responsible for implementing the decisions of the Board of Trustees and for the operational management of the school. The general administration of financial procedures is delegated by the Headteacher to the School Business Manager and Finance Manager but the Headteacher still retains responsibility for:

- the overall financial position of the academy
- in conjunction with the School Business Manager and the Finance & Resources Committee authorising additions/reductions to the academy personnel
- in conjunction with the School Business Manager, approving new staff appointments within the authorised academy personnel establishment, except for any senior staff posts which the Board of Trustees have agreed should be approved by them
- authorising contracts up to £24,999 in value in consultation with the School Business Manager

and
- signing cheques/authorising payments in conjunction with the School Business Manager or other authorised signatory.

The School Business Manager

The School Business Manager works in close collaboration with the Headteacher through whom he or she is responsible to the Trustees. The School Business Manager also has direct access to the Trustees via the Finance & Resources Committee. The main responsibilities of the School Business Manager are:

- the day to day management of financial issues in conjunction with the Headteacher when necessary
- 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 Board of Trustees
- the maintenance of effective systems of internal control
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy
- the preparation of regular monitoring reports
- authorising orders below £25,000 in conjunction with budget holders
- signing cheques/authorising payments in conjunction with the Headteacher or other authorised signatory
- ensuring forms and returns are sent to the DfE in line with the timetable in the DfE guidance

3. Internal Financial Controls

The internal financial controls operated by Borden Grammar School follow guidelines set out in the Academy Trust ~~Financial~~ Handbook.

The Internal Control Monitor

The internal Control Monitor (ICM) is appointed by the Board of Trustees and provides Trustees with an independent oversight of the academy's financial affairs. The main duties of the ICM are to provide the Board of Trustees with independent assurance that:

- the financial responsibilities of the Board of Trustees are being properly discharged
- resources are being managed in an efficient, economical and effective manner
- sound systems of internal financial control are being maintained
- financial considerations are fully taken into account in reaching decisions

The ICM will undertake a termly (3 times per year) programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Board of Trustees. A report of the findings from each visit will be presented to the Finance & Resources Committee. To maintain strict separation of duties under the Handbook, the trust must ensure this function is never performed by a current employee of the school or the external audit firm.

Auditors

The trust's Members formally appoint the external auditors annually, typically at the Annual General Meeting (AGM). In accordance with the Academy Trust Handbook, the trust should retender the external audit contract at least every five years to ensure objectivity, evaluate performance, and secure competitive fees. This is a legal requirement. The auditors are responsible for stating whether, in their opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted

Accounting Practice (GAAP), of the state of the company's affairs as at 31st August and of its incoming resources and application of resources in that year

- the financial statements have been properly prepared in accordance with the Companies Act 2006 and in accordance with the Academies Accounts Direction issued by the Department for Education (DfE)
- the information given in the Directors' report is consistent with the financial statements and
- the grants made by the DfE have been applied for the purposes intended

In arriving at their opinion the auditors are required by law to consider the following matters, and to report on any in respect of which they are not satisfied:

- whether adequate accounting records have been kept by the charitable company;
- whether the charitable company's balance sheet and profit and loss account are in agreement with the accounting records and returns;
- whether the auditors have obtained all the information and explanations which they think are necessary for the purpose of their audit and
- whether the requirements concerning the disclosure of directors' benefits, remuneration, pensions and compensation for loss of office are complied with.

In accordance with Section 495 of the Companies Act 2006, the audit report is made solely to the charitable company's members.

Other Staff

Other members of staff, primarily the Finance Manager and budget holders, will have some financial responsibilities and these are detailed in Appendix B, Financial Responsibilities and Procedures. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

Register of Interests

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise, all academy Trustees and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the academy may purchase goods or services. The register is open to public inspection. The Academy Trust Handbook commands that this consolidated register of parameters and interests must be published clearly on the school's public website at all times.

The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the academy. The disclosures should also include business interests of relatives (to include a parent, spouse, or child) or business partners where influence could be exerted over a Trustee 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 Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees or a committee. Trustees are given the opportunity to declare business interests at the start of each Finance & Resources Committee meeting and where an interest has been declared, the Trustee/staff member should not attend that part of the meeting.

4. Accounting System

All the financial transactions of the academy must be recorded on the finance databases. The finance databases are operated by the Finance Team and consist of:

- ➢ Journals

- Nominal Ledger
- Bank Transactions
- Purchases Ledger
- Sales Ledger
- Fixed Assets
- Accruals
- Prepayments
- Reconciliations

System Access

Entry to finance databases are password restricted and the Network Manager is responsible for implementing a system which ensures that passwords are changed on a regular basis. In line with current statutory cyber safety parameters, Multi-Factor Authentication (MFA) is enforced across all finance network interfaces and user terminals.
Access to the component parts of the finance databases can also be restricted and the School Business Manager is responsible for setting access levels for all members of staff using the system.

Back-up Procedures

The Network Manager is responsible for ensuring that there are effective back up procedures for the systems. There are several different backup systems due to the blend of on-site and cloud data storage used by the school.
Data stored onsite is backed up to a cloud storage service provided by Backlaze Inc, providing protection against data loss by a catastrophic on-site incident. An on-site "Read only" backup server that is configured to pull data from the main data store while remaining invisible to users on the network provides a disk based store for rapid data recovery and the main data store is backed up nightly to a second NAS in the server room to protect against drive failure. Finally, a tape based system using the open source software package Bareos is used to create an "air gap" between backed up user data and the network itself. The tapes are stored in a fire and flood resistant safe in the IT Office. **Testing of the restoration capability from these air-gapped system backups is executed and recorded at least once a year.**
Servers are backup on a daily basis to networked attached storage devices (NAS) in both the DT and Art blocks providing limited separation from the main building in the event of fire. Servers are also manually backed up to a "normally off" NAS device at random times. This provides a semi air-gapped backup in case of attack while the building is empty.
Google Workspace requires a separate backup system as Google states in it's service agreements that while they will strive to keep data safe, there are no guarantees and it's not their responsibility. This is not an uncommon thing in cloud services, particularly when they are provided for free and for safety we have implemented our own cloud backup strategy.
Google data is backed up to an AvePoint cloud storage service on a nightly basis and to an on-site NAS storage device located in the V- Block Hub Room that runs on a continuous basis, backing files up as they are saved by users to Google Drive.

Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in Appendix B, Financial Responsibilities and Procedures, which includes detailed procedures for the operation of the purchase ledger. Procedures for the processing of payroll transactions and administration are included in Appendix C, Payroll Responsibilities and Procedures.

Transaction Reports

The School Business Manager will, on a monthly basis, obtain and review system reports to ensure

that only regular transactions are posted to the accounting system. The reports reviewed will include payroll, purchase ledger and sales ledger.

Reconciliations

The School Business Manager is responsible for ensuring the following reconciliations are performed each month by the Finance Manager:

- sales ledger control account;
- purchase ledger control account and
- bank balance per the nominal ledger to the bank statement.

5. Financial Planning

The Academy prepares a 3 Year Budget Plan.
The School Improvement Plan identifies the academy's educational and other objectives for the next three years.
The Budget Forecast is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year.

School Improvement Plan

The improvement plan is concerned with the future aims and objectives of the academy and how they are to be achieved; that includes matching the academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.
The academy decides on the form and content of the improvement plan giving due regard to The **Academy Trust ~~Financial~~ Handbook ~~(ATFH)~~** and annual guidance issued by the DfE.

Planning the Budget

The budgetary planning process will incorporate the following elements:
• forecasts of the likely number of pupils to estimate the amount of DfE grant receivable, based on the **latest National Funding Formula (NFF) allocations**;
• review of other income sources available to the academy to assess likely level of receipts;
• review of past performance against budgets to promote an understanding of the academy cost base;
• identification of potential efficiency savings and
• review of the relevant expenditure headings in light of the improvement plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

Balancing the Budget

Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

Finalising the Budget

Once the different options and scenarios have been considered, a draft budget is prepared by the School Business Manager for discussion with the Headteacher.
The budget must be presented to and approved by the Finance & Resources Committee and ratified

by the full Board of Trustees.
The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

Submitting the Budget
The approved budget must be submitted to the DfE via the formal Budget Forecast Return (BFR) structure in line with statutory summer timelines published annually (typically late July). The School Business Manager is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
The annual budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the improvement plan objectives and the budgeted utilisation of resources.
The academy will follow the annual reporting timetable (see Appendix A)

Monitoring and Virements
Borden Grammar School recognises that the regular monitoring of income and expenditure against the agreed budget is central to effective financial management. To this end, the School Business Manager and Finance Manager, carries out monthly monitoring which is then reviewed by the Headteacher and shared with the Trust Board of Trustees via Governorhub. A monitoring report is taken to all meetings of the Finance & Resources Committee which reports, as required, to the Full Board of Trustees. Trustees ensure their meetings are scheduled with consideration to the submission deadlines for various returns due to the DfE.
On occasions, virements may need to be carried out. Virements to the approved budget are minuted appropriately and require the following authorisation:
Virements up to £10,000 - The Headteacher, reported to the Finance & Resources Committee
Virements up to £25,000 - The Finance & Resources Committee
Virements over £25,000 - The Full Board of Trustees

Insurance
The DfE introduced a voluntary risk pooling scheme which was available from 1st September 2014. This offers Academies an alternative to securing their own insurance. After due consideration Borden Grammar School chose to secure their own insurance and after obtaining necessary quotations, remained with Zurich Municipal, via the Essex County Council Framework as approved by the Finance & Resources committee.

6. Personnel Matters

At Borden Grammar School, at the start of every financial year the School Business Manager uses the financial tool provided by The Education People to calculate the salary costs of all members of staff, including increments, where applicable. These details are used by the Finance & Resources Committee for incorporation into the school budget planning process.
The Pay Committee undertakes an annual review of the performance and remuneration of the Headteacher and the Leadership Group.
The Headteacher undertakes an annual review of the performance and remuneration of all other staff, in accordance with the Trustees' Performance Management Policy.
Details of the salaries of the Headteacher and Leadership Group are recorded as a confidential item in the minutes.

7. Payroll

The main elements of the payroll system are:
• staff appointments;
• payroll administration and
• payments.

Staff Appointments
The Board of Trustees has approved a personnel establishment for the academy. Any changes to this establishment are first discussed by the Headteacher and School Business Manager. In the event that changes are recommended these are discussed with the Finance & Resources Committee.
The Headteacher has authority to appoint staff within the authorised establishment except for senior positions whose appointments must follow consultation with the Board of Trustees. The School Business Manager, in conjunction with the HR Assistant, maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified to the School Business Manager immediately.

Payroll Administration
The academy's payroll is processed by Capita Business Services Ltd (Capita). All staff are paid monthly by Capita who maintain a master file for each employee which records:
• salary;
• bank account details;
• taxation status;
• personal details and
• any deductions or allowances payable.
See Appendix C for the Academy's Personnel and Payroll levels of authority. All documents are checked and kept by the School Business Manager / Finance Manager in readiness to send to Capita for processing.

Payments
After the payroll has been processed but before payments are dispatched a print of salary payments by individual and showing the amount payable in total is prepared by Capita and sent to the academy. This is checked and reconciled by the Finance Manager and a copy of the Validation Reports are kept on file.
All salary payments are made by BACS.
Capita automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The amounts payable are automatically made by BACS transfer on the due dates.
The Finance Manager reconciles salaries each month using the BPS system and Capita's reports. The Finance Manager inputs each month's payroll onto the accounting system.
On a monthly basis the School Business Manager monitors the actual costs against the planned costs for each member of staff and the variances are incorporated into the budget monitoring.
The School Business Manager authorises the payroll each month and makes periodic and random checks to ensure that only bona fide payments are made.

8. Purchasing

When purchasing these general principles are followed:

- **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

Routine Purchasing

Budget holders will be informed of the budget available to them on a monthly basis. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A print detailing actual expenditure against budget will be supplied to each budget holder periodically and budget holders are encouraged to keep their own records of orders placed but not paid for.

Routine purchases up to £1,000 can be ordered by the budget holders. The School has adopted the procedure where quotations are generally sought for all purchases over £1,000 as a matter of course. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Finance Manager. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Finance Manager.

All orders must be made, or confirmed, in writing. Orders must be forwarded to the Finance Team, who will check to ensure adequate budgetary provision exists before processing the order on Sims FMS.

When orders are processed on Sims FMS they are allocated an order reference number, printed and signed by the Finance Assistant and then dispatched to the supplier.

All deliveries are made to the main office, stored in the postroom, checked by the Finance Team and then dispatched to the appropriate budget holder. On receipt the budget holder must undertake a detailed check of the goods received against the goods delivery note and the original order. If there are any discrepancies the budget holder must notify the Finance Team immediately, where they can be discussed with the supplier of the goods without delay.

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

All invoices should be forwarded to the Finance Team who will stamp the invoice with a grid against which the following can be evidenced:

- Invoice arithmetically correct
- Invoiced posted to correct ledger/cost centre code
- Goods/services received
- Prices correct
- Invoice authorised for payment by budget holder
- VAT treated correctly and
- Payment made

The Finance Team will sign the box to indicate that the price and arithmetic is correct. The invoice will then be presented to the budget holder. Before signing the box the budget holder must undertake a detailed check against the order and the delivery notes. Budget holders must undertake these checks without undue delay.

If a budget holder is pursuing a query with a supplier the Finance Team must be informed of the

query and periodically kept up to date with progress.
The Finance Manager will generate a payment run on a weekly basis with some ad hoc payments being processed as appropriate. The cheques are authorised by two cheque signatories. Cheques and Remittance Advices are then dispatched to the suppliers by the Finance Manager. Payment runs via BACS are subject to the same level of control. The Finance Manager prepares and checks the BACS run. The BACS paperwork is checked and signed by two authorised signatories. The School Business Manager, Headteacher or Deputy Headteacher are authorised to independently check the content and authorise the BACS payment to be released. The first authorised signatory checks and uploads the BACS file to Natwest. The second authorised signatory checks the file and authorises the release of the payments by Natwest. Where a BACS file includes a payment to an authorised signatory, the file must be authorised by two other authorised signatories and not the payee themselves. The online banking system does not allow for any changes once authorised for release. Where the school purchases large items, we adhere to the following:

Total Purchase Value	**Minimum Procurement Route Required**	**Approval Authority**
Up to £24,999	Minimum of one written quotation. *(Note: DfE frameworks or approved suppliers should be checked first for best value).*	Budget Holder / Headteacher
£25,000 up to the Public Threshold	Minimum of three written quotations must be obtained.	Finance & Resources Committee *(with report to Full Board)*
Above the Public Threshold	Formal tendering procedure compliant with the Procurement Act 2023 via the Find a Tender service.	Full Board of Trustees

Current Statutory Public Thresholds
In line with the Procurement Act 2023 and mandatory UK public procurement limits, the formal thresholds applied **net of VAT** are:

- **Goods and Services:** £139,688 net of VAT
- **Major Infrastructure Works:** £5,372,609 net of VAT

The school does not enter into any Hire Purchase agreements or Finance agreements.

Forms of Tenders

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

- **Open Tender:** This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the School Business Manager how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:
    - There is a need to maintain a balance between the contract value and administrative costs.
    - A large number of suppliers would come forward or because the nature of the

goods are such that only specific suppliers can be expected to supply the academy's requirements.
    - The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances.
    - The above methods have resulted in either no or unacceptable tenders
    - Only one or very few suppliers are available
    - Extreme urgency exists
    - Additional deliveries by the existing supplier are justified

Preparation for Tender

Full consideration should be given to:

- Objective of project
- Overall requirements
- Technical skills required
- After sales service requirements
- Form of contract

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

Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.
An invitation to tender should include the following:

- Introduction/background to the project
- Scope and objectives of the project
- Technical requirements
- Implementation of the project
- Terms and conditions of tender and
- Form of response

Aspect 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. The focus is on the **Most Advantageous Tender (MAT)** rather than simply the lowest price.
- 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 of negotiation?

Technical/Suitability

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

Other Considerations

- Pre sales demonstrations
- After sales service
- **Financial stability of the supplier.** The academy must now conduct enhanced due diligence on suppliers' financial health to mitigate risks. It may be appropriate to have an accountant or similarly qualified person examine audited accounts, etc., to ensure the supplier can fulfil the contract.
- **Social Value.** Under the Procurement Act 2023, the academy is encouraged to consider how a procurement can improve the social, economic, and environmental well-being of the local area. This could include aspects like local employment, sustainability practices, or community engagement.

Tender Acceptance Procedures

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

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. The School Business Manager or the Headteacher plus a member of the Finance & Resources Committee should be present for the opening of tenders.
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.

Tender 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 a report should be prepared for the Finance & Resources Committee highlighting the relevant issues and recommending a decision.
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 academy, taking into account price, quality, and wider social value criteria as defined by the **Procurement Act**

2023. All parties should then be informed of the decision.
Occasionally the school will employ the services of a third party to prepare the tender documents for large or complicated tenders.

Commercial Card

Borden Grammar School has a Commercial Card issued by Natwest PLC.
This facility allows the school to purchase goods where it is not possible or appropriate to use cheques or order via purchase orders. Examples include internet purchases, purchases by telephone and 'in person' purchases.
The school receives monthly statements from Natwest detailing the transactions for each cardholder. The School makes one payment per month per card to the Bank by direct debit to cover all card transactions.
Borden Grammar has set the following limits on the Commercial Card:

- Single transaction limit - £10,000
- Monthly credit limit - £20,000

The school holds two credit cards , one in the name of the Finance Manager and one in the name of the Headteacher. All transactions MUST be made by the named cardholder. Statements are reconciled by the Finance Manager and checked and authorised each month by the School Business Manager and Headteacher.

9. Income

The main source of income for the academy is the grants from the DfE, which are allocated through the **National Funding Formula (NFF)**. The receipt of these sums is monitored directly by the Finance Manager who is responsible for ensuring that all grants due to the academy are collected.
The academy also obtains income for lettings.
The Finance Manager or Finance Assistant will maintain a sales ledger and post invoices to this sales ledger via the finance database, recording details of amounts paid and amounts outstanding.
Receipts must be issued for all monies collected and the value of the receipt and the number of the receipt recorded against the organisation making the payment.
All cheques and cash received must be kept securely in the School Business Team Office prior to banking.
Monies collected must be banked in their entirety in the appropriate bank account.

Lettings

The management and administration of external lettings and occasional bookings of academy premises are contracted out to School Space. All bookings, payments, and invoicing are handled directly through School Space in accordance with their terms of service.
Any outstanding debts or exceptional financial matters arising from lettings that fall under the academy's ultimate responsibility remain subject to board oversight; no debts may be written off without the express approval of the Board of Trustees.

Trips

Income received from students in respect of trips is administered through the Voluntary Fund, which is managed by the Finance Manager via a separate bank account.
A lead teacher is appointed for each trip to take responsibility for the organisation of the trip. Payments and Consent forms are passed to the Finance Manager who enters each student onto the Voluntary Fund system with their payment. The system then automatically generates a receipt for the online payment. If a payment is made via cheque or cash a handwritten receipt is passed on to the student. All trip records are kept up to date by the Finance Manager and reported on to the lead

teacher.

10. Cash Management

Bank Accounts
The opening of all accounts are authorised by the Board of Trustees which set out 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.

Deposits
Particulars of any deposit must be entered on to the financial database. The details include the following:

- The amount of the deposit
- Name of debtor and cost centre deposit is for
- Date and banking slip reference number.

Payments and Withdrawals
All cheques and other instruments (e.g. BACS payments) authorising withdrawal from academy bank accounts must bear the signatures of two of the authorised signatories.
The authorised signatories are listed in Appendix B.
This provision applies to all accounts, public or private, operated by or on behalf of the Board of Trustees of the academy.

Administration
The School Business 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 academy's cash book;
• there is appropriate segregation of duties between the person performing the reconciliation and the person checking the reconciliation.
• reconciliations are subject to an independent quarterly review carried out by the Internal Control Monitor.

Petty Cash
The academy maintains a cash balance of £500 which is administered through the Main Bank Account by the Finance Manager. It is held securely in the finance office.
In the interests of security, petty cash payments will be limited to £50. Higher value payments are made by cheque, BACS payment or through Payroll.

Cash Flow
The School Business Manager is responsible for ensuring that sufficient funds are available to pay for day-to-day operations. Cash levels are monitored by means of regular bank reconciliations and real-time online checks of bank balances by the Finance Manager.

Investments
Investments must be made only in accordance with The Investment Policy approved by the Board of Trustees.
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.

Voluntary Fund

In addition to the Designated School's Grant, Borden Grammar School also operates a school Voluntary Fund, adopting the procedures in the LA's School Voluntary Fund Guidance and adhering to the school's Voluntary Fund Policy. We recognise that our Voluntary Fund is an additional source of income and that the controls over its use need to be as rigorous as for the administration of the school's delegated budget. We have appointed JAD Associates Limited, who is independent of the school, to audit the Voluntary Fund accounts on an annual basis. All monies for the Voluntary Fund are held securely and separately from those of the school budget.

11. Fixed Assets

Asset Register

All items purchased with a value over the academy's capitalisation limit (£2000 for single items £5000 for multiple items) are entered in an asset register. The asset register should include the following information:

- asset description
- date of acquisition
- asset cost
- depreciation
- location

The Asset Register helps:

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

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. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Board of Trustees. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

Disposals

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

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

The academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested then the academy must repay to the DfE a proportion of the sale proceeds.
All disposals of land must be agreed in advance with the Secretary of State.
The trust must manage its assets responsibly to achieve value for money, preserve regularity, and prevent financial loss. All asset sales, destructions, or donations must follow the strict authorisation paths below before the item is removed from the trust's physical premises or Fixed Asset Register.

Asset Value / Type	**Minimum Disposal Procedure**	**Approval Authority**
Routine Assets up to £1,000 ***(e.g., broken/obsolete IT or furniture)***	**Direct authorisation; reasons must be documented. Recycling or scrap certificate kept if destroyed.**	**School Business Manager**
Significant Assets (£1,001 to £20,000) ***(e.g., working machinery or equipment)***	**Items must be advertised for public sale or submitted to a** competitive tender/auction **to ensure best residual price.**	**Finance & Resources Committee**
High-Value Routine Assets (>£20,000) ***(e.g., trust minibuses or major systems)***	**Formal competitive bidding or independent valuation required to guarantee value for money.**	**Full Board of Trustees**
Core Estate Assets (Any Value) ***(Freehold land, buildings, or heritage assets)***	**Strict statutory process. Full legal evaluation must be submitted.**	Prior Written DfE Approval Required

Before any asset is physically removed from the school site, sold, or destroyed, staff must complete a formal Asset Disposal Authorisation Form (attached as Appendix D). This form must be signed off in accordance with the approval thresholds below, including mandatory data-wiping verification from the Network Manager for any IT equipment, before the item can be officially removed from the trust's Fixed Asset Register.

Loan of Assets

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

Appendix A – Annual Financial Reporting Timetable

Return Name	Content	Reason/Benefit	Due Date
Budget Forecast Return (BFR)	Budget projections for financial/academic year	Provide assurance to Trustees and DfE that the academy will be in good financial health for the year.	as published by the DfE
Financial statements	Trustees report and annual accounts for the period ending 31 August	Statutory requirement under the Companies Act 2006 and Charity Commission's Statement of Recommended Practice.	31 December
Accounts Return	Summary income and expenditure account and balance sheet information.	Provide data in a consistent form to allow monitoring of financial health and benchmarking.	31 December
Financial Management and Governance Return	Self assessments arrangements are in place	Provide assurance to Trustees that they are meeting their statutory requirements and their responsibilities in the funding agreement.	Only required from newly converted Academies
Whole of governance accounts return	Financial data to 31 March	Statutory requirement for DfE to produce a return under the Government Resources and Accounts Act 2000.	Upon request from the DfE.

Appendix B - Financial Responsibilities & Procedures

Orders, Invoices and Payment Processing:

- Orders are initiated by Heads of Department via a requisition form. The Finance Team will place the order for them.
- Deliveries are checked against the original order by the Finance Team and delivery notes are attached to the Purchase Order and Invoice.
- When the invoice is received the three box stamp is put on it. Each box is then signed by an appropriate person as follows:
    - Order/Delivery – is signed by the person who can confirm the item or service has been received
    - Price/Arithmetic – is checked and signed by the Finance Assistant
    - Certified for Head of Department – all invoices are checked by the Finance Manager
- Once all three boxes are signed the invoice can be posted onto the finance software (SIMS Financial Management System).
- A payment run is processed weekly with other smaller urgent payment runs being actioned as required
- Cheques/BACS reports are then authorised by two signatories releasing payments to the suppliers
- Bank signatories are as follows:
    - Headteacher - Ashley Tomlin
    - School Business Manager - Louise O'Connor
    - Finance Manager - Seanne Cordes
    - Deputy Headteacher - Garry Mulligan

Appendix C - Personnel & Payroll Responsibilities & Procedures

Staff Appointments:

- Following the interview process the HR Assistant will create a file for the new employee ensuring that the following has been checked:
    - DBS Application
    - Identification check
    - Right to work in the UK
    - Satisfactory references
    - Pre-employment health check
- The Appointment form is completed by the HR Assistant via Judicium online forms, checked and signed by the School Business Manager
- Judicium create the contract on their portal which is collected by the HR Assistant who issues it to the School Business Manager
- Once the School Business Manager has checked the accuracy of the contract it can be signed by the Headteacher and passed to the employee for signature
- All Personnel files are kept in locked cabinets in the School Business Manager's office

Personnel/Payroll Administration:

- Any changes to contracts or staff personal details should be reported to the School Business Manager
- The HR Assistant will complete the required notification form and forward paperwork to Judicium and/or Capita as appropriate
- Signatories for Payroll (e.g. authorising additional payment/expenses claims) are as follows:
    - Headteacher - Ashley Tomlin
    - School Business Manager - Louise O'Connor
    - Deputy Headteacher - Garry Mulligan
    - Finance Manager - Seanne Cordes
- Signatories for Personnel (e.g. changes to contracts/personal details) are as follows:
    - Headteacher - Ashley Tomlin
    - School Business Manager - Louise O'Connor
    - Deputy Headteacher - Garry Mulligan
    - Chair of Trustees - Hayley Brown

Payments:

- Capita publish a Payroll Processing Timetable each year to confirm the dates of the following:
    - Final date for receipt of documentation
    - Pre-processing report despatch date
- On receipt of the Pre-processing report the Finance Manager checks it for accuracy, including leavers and new starters and both permanent and temporary changes such as contract changes and overtime/expense claims
- The Finance Manager reconciles the pre-processing report against the staff listed on the BPS system, checking for any discrepancies and reporting them to Capita for amendment
- Capita send a secure email to the School Business Manager and Finance Manager containing the final run report and permanent details and projected end date report which are saved to the shared Finance drive
- On receipt of the final payroll report the Finance Manager checks that all amendments have been made
- The Finance Manager post the actual costs onto SIMS FMS

Appendix D - Asset Disposal Authorisation Form

This form must be completed in full **before** any asset is sold, destroyed, or donated. Once fully authorised, a copy must be retained by the finance office to update the **Fixed Asset Register**.

1. Asset Details & Inventory Reference

Field	Details
Item Description	*(e.g., Ford Transit Minibus / 30x Lenovo Laptops)*
Asset Tag / Serial Number(s)	
Date of Original Purchase	
Original Purchase Cost	£
Current Estimated Value / Net Book Value	£
Reason for Disposal	▢ Beyond Economic Repair ▢ Obsolete / Outdated Technology ▢ Surplus to Requirements ▢ Lost / Stolen *(Attach Police Report)*

2. Method of Disposal

Select the chosen disposal route in accordance with policy thresholds:

- ▢ **Scrapped / Recycled:** Environmentally disposed of via an authorised contractor.
- ▢ **Donation to Charity:** Name of Registered Charity: _____
- ▢ **Public Sale / Tender:** Sold via competitive bidding or open auction to achieve best value.

3. IT & Data Security Sign-Off *(Mandatory for ALL technology, computers, and digital storage)*

I confirm that all data, licensed software, and confidential trust information have been permanently and securely wiped from this asset in compliance with UK GDPR. A data destruction certificate is attached where applicable.

- **Network Manager Signature: _____ Date: _____**

4. Authorisation & Approval Limits

Signatures must match the financial bands established in the main procurement and disposal policy:

▢ **Level 1: Up to £1,000 (School Business Manager / CFO Approval)**

- **SBM/CFO Signature: _____ Date: _____**

▢ **Level 2: £1,001 to £20,000 (Finance & Resources Committee Approval)**

- **Committee Chair Signature: _____ Date: _____**
- *Minute Reference Number: _____*

▢ **Level 3: Over £20,000 or Core Estate Assets (Full Board & DfE Approval)**

- **Chair of Trustees Signature: _____ Date: _____**
- **DfE Written Approval Attached?** ▢ Yes ▢ N/A *(Only required for Land/Core Property)*

5. Final Finance Action *(To be completed by the Finance Office)*

- ▢ Fixed Asset Register updated.
- ▢ General Ledger adjusted for any profit/loss on disposal.
- **Processed By (Name): _____ Date: _____**