



FINANCE POLICY

1. Introduction

- 1.1. The purpose of this document is to ensure that the School maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE).
- 1.2. The School must comply with the principles of financial control outlined in the academies guidance published by the DfE. This document expands on that and provides detailed information on the School's accounting procedures. The latest update of the Academy Financial Handbook is available online and all staff involved with financial systems must be familiar with it.

2. Organisation

- 2.1. The Henrietta Barnett School has defined the responsibilities of each person involved in the administration of school finances to avoid the duplication or omission of functions and to provide a framework of accountability for Governors and staff. These can be found in the Scheme of Delegation.

Business Interests

- 2.2. 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 school Governors and staff are required to declare any financial interests they may have in the outcome of purchasing made by the school.
- 2.3. The register must include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the school. 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.
- 2.4. The existence of a register of business interests does not detract from the duty 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 the affected part of any committee or other meeting.

3. Accounting System

- 3.1. All the financial transactions of the School must be recorded on the school accounting system SAGE 50, operated by the Finance Team.

System Access

- 3.2. Entry to the Sage system is password restricted and the School Business Manager (SBM) is responsible for implementing a system which ensures that passwords to the system are changed every three months.
- 3.3. Access to the component parts of Sage can also be restricted and SBM is responsible for setting access levels for all members of staff using the system.

Back-up Procedures

- 3.4. The IT and Estates Manager is responsible for ensuring that there are effective back-up procedures for the system.
- 3.5. The database is backed up daily via two backup routines; to a remote location via a secure online connection and to a backup server on site. A further archive backup of the database is taken once a month and stored on the backup server. The contents of the backup server are transferred to an external drive with 256-bit hardware encryption once a week, which is stored in a locked safe.

- 3.6. The School's Business Continuity Plan makes provision for dealing with the loss of accounting facilities and/or financial data.

Transaction Processing

- 3.7. All transactions input to the accounting system must be authorised in accordance with the procedures specified in this document. The detailed procedures for the operation of the payroll, the purchase ledger are included in the following sections. Transfer to fixed assets journal entries must be actioned by the SBM when appropriate. Bank transactions are monitored and controlled by the SBM.
- 3.8. Detailed information on the operation of Sage can be found in the user manuals held in the Finance Office.

Transaction Reports

- 3.9. The SBM reviews the system reports to ensure that only legitimate transactions are posted to the accounting system. The reports obtained and reviewed could include: Audit trail reports and Management accounts summarising expenditure and income against budget at budget holder level.

Reconciliations

- 3.10. The SBM is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared: Bank account transactions to Sage system and Payroll. The SBM is required to sign the bank statement reconciliations and monthly agreed payroll.
- 3.11. Any unusual or outdated (six months) reconciling items must be brought to the attention of the Headteacher.

4. Financial Planning

- 4.1. The School prepares both medium-term and short-term financial plans.
- 4.2. The medium-term financial plan is prepared as part of the development planning process, and includes consideration of how educational objectives are going to be achieved within the expected level of resources over the next three years.
- 4.3. The School Development Plan (SDP) helps to provide the framework for the annual budget. The budget is a detailed statement of the expected resources available to the school and the planned use of those resources for the following year.
- 4.4. The development planning process and the budgetary process are described in more detail below.

School Development Plans

- 4.5. The SDP is concerned with the future aims and objectives of the school and how they are to be achieved. This includes matching the School's objectives and targets to the resources expected to be available. Plans are kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.
- 4.6. The form and content of the Development Plans are matters for the School to decide but due regard is given to the matters included within the guidance to Academies and any annual guidance issued by the DfE.
- 4.7. The development planning cycle includes a review of past activities, aims and objectives along with any redefinition of those aims and objectives; the development of the plan and associated budgets; implementation, monitoring and review of the plan; feedback into the next planning cycle in terms of "what worked successfully and how can we improve?"
- 4.8. The completed Development Plans will include detailed objectives for the coming academic year and outline objectives for the following three years. The Head assesses the budget plan to ensure that financial resources are available to meet each objective. Estimated costings for the objectives are discussed so that financial requirements can be incorporated into budgetary planning.
- 4.9. For each objective the lead responsibility for ensuring progress is made is assigned to a member of the Senior Team. The Senior Team will report to the Governing Body if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

Annual Budget

- 4.10. The SBM is responsible for preparing the annual budget in conjunction with the Senior Team. The budget must be approved by the Headteacher, the Finance, Audit & Fundraising Committee and the Governing Body.

- 4.11. The approved budget must be submitted to the DfE by 31 July each year and the SBM is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 4.12. The annual budget will reflect the best estimate of the resources available to the school for the forthcoming year and will detail how those resources are to be utilised. The budget should be constructed to ensure the objectives of the Development Plans can be achieved.
- 4.13. The budgetary planning process will incorporate the following elements: forecasts of the likely number of pupils to estimate the amount of DfE grant receivable, review of other income sources available to the school to assess likely level of receipts, review of past performance against budgets to promote an understanding of the school cost base, identification of potential efficiency savings, 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 expected changes.

Balancing the Budget

- 4.14. 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 at least matches expenditure. If doing so is considered necessary and appropriate, when expenditure exceeds revenue, the Trust will meet the shortfall.

Finalising the Budget

- 4.15. Once the different options and scenarios have been considered, a draft budget is prepared by the SBM for approval by the Headteacher, and then the Finance, Audit & Fundraising Committee and the Governing Body. Where appropriate the budget is communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.
- 4.16. The budget is accompanied by a commentary giving a detailed breakdown on each element of the budget.

Monitoring and Review

- 4.17. Monthly reports are prepared by the SBM. The reports detail actual income and expenditure against budget, both for budget holders and at a summary level for the Headteacher and the Finance, Audit & Fundraising Committee.
- 4.18. Any potential overspend against the budget must in the first instance be discussed with the ST.
- 4.19. The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency. If there is an under spend on a particular budget:
 - the Headteacher has the authority to vire up to £25,000 to another budget.
 - Over £25,000 needs prior Finance and Audit Committee approval.
 - All virements over £5,000 should be reported to the Finance, Audit & Fundraising Committee.

Reserves strategy

- 4.20. The target minimum level of reserves to be held in the Trust accounts is £300,000, as agreed by Governors.
The maximum level of reserves to be held in the Trust accounts is £1,000,000 as agreed by Governors. This amount has been increased to ensure the financial security of the school in the current challenging financial situation with the significant increase to Teacher Pension employer contributions and uncertainties around future government funding levels.

5. Payroll

- 5.1. The main elements of the payroll system are: staff appointments, payroll administration, payments.

Staff Appointments

- 5.2. The Governing Body approves the personnel establishment for the School. Changes can only be made to this establishment with the approval of the Governors, which must include the Finance, Audit & Fundraising Committee whose role it is to ensure that adequate budgetary provision exists for the changes.

- 5.3. The Headteacher has authority to appoint staff within the authorised establishment except for Deputy Head and the SBM, whose appointments must follow consultation and approval by the Governors. The Headteacher maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the SBM immediately.

Payroll Administration

- 5.4. The school payroll is administered by Education Personnel Management (EPM) and payroll transactions are entered into Sage by the Finance Officer / SBM. Access to the system is password controlled. Password control procedures and backup arrangements are described in section 3.2 above.
- 5.5. All staff are paid monthly through Payroll where a master file is held for each employee to record: salary, bank account details, taxation status, personal details, any deductions or allowances payable.
- 5.6. Any master file amendments made by the SBM / Headteacher are notified to EPM to be incorporated into the next edition of the master file.
- 5.7. Each member of staff is responsible for ensuring the school is informed of any absence and any additional/casual hours worked. The Additional Hours sheet is used for all additional hours approved for the previous month and absence is recorded electronically. Both the electronic returns are authorised by the Headteacher before they are submitted by the SBM to Payroll. Authorised staff absence forms are retained.
- 5.8. Payroll sends an electronic pay file once a month via their portal. The SBM processes and reconciles the payroll file with the salary commitments. This should be completed within two working days of receiving the file so any discrepancies can be investigated before actual financial payments to staff are made by via BACS. Reconciliation is carried out to ensure all adjustments are carried out accurately. Both the SBM and the Headteacher review and sign the final Payroll Changes document.

Payments

- 5.9. The SBM will investigate any discrepancy and contact Payroll immediately.
- 5.10. All salary payments are made by EPM.
- 5.11. 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.
- 5.12. After the payroll has been processed the nominal ledger will be automatically updated. Posting will be made both to Payroll Control Account and individual nominal/cost centre codes. When the invoice for the payroll is received from EPM this is checked against the payroll reports and posted to the Payroll Control Account when paid.

Staff Expenses

- 5.13. Staff, trustees and volunteers will be reimbursed for reasonable expenses incurred through carrying out their role, so long as the activity has been authorised in advance by a member of the Senior Team. A full itemised receipt and budget holder authorisation will be required before any payment is made. Reimbursement will not be made for alcohol.

6. Purchasing

- 6.1. The School wants to achieve the best value for money from all purchases, seeking to obtain goods and services in the correct quality, quantity and time frame at the best price possible. A large proportion of purchases will be paid for with public funds and the school needs 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) and Fairness (that all those dealt with by the academy are dealt with on a fair and equitable basis).

Routine Purchasing

- 6.2. Budget holders are informed of the budget available to them as soon as possible at 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. The SBM meets with Heads of Department as necessary to review their expenditure.
- 6.3. Routine purchases can be ordered by budget holders within their budget allocation limits. A quotation or price must always be obtained before any order is placed.

- 6.4. All orders must be made, or confirmed, in writing using an official Purchase Order form. The order form is an electronic form and the sequence of order numbers is held by the Finance team. Once completed, order forms should be returned to the Finance team who store the forms in a secure file on the Finance drive. Payments made as the result of a pre-determined signed contract do not require an order e.g. Gas, Electric, Servest, payroll. Orders must bear the electronic signature of the budget holder. It is the responsibility of the Finance Officer/SBM to ensure adequate budgetary provision exists before countersigning the order.
- 6.5. Countersigned orders are recorded by the Finance Assistant / SBM. Once authorised, the Finance Assistant/SBM will return the order to the originator for ordering.
- 6.6. Appropriate arrangements must be made for the delivery of goods to the school. On receipt, the originator of the order must ensure a detailed check of the goods received is made against the goods received note and a record made of any discrepancies between the goods delivered and the order. Discrepancies must be discussed with the supplier of the goods without delay. The delivery note must be initialled and dated by the person marking off the goods. This must be returned to the Finance Office to be matched with the original order and returned to the live order file/awaiting invoice. The Finance Assistant will ensure the delivery is recorded.
- 6.7. If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the originator will coordinate this. Any documentation/notes relating to Orders should be kept with the original order.
- 6.8. All invoices must be sent to the Finance Office and stamped with the date of receipt and invoicing control stamp. The invoice is matched to the original order and packing note and stapled to the back of all the documentation. All invoices must be approved and signed by the Budget Holder before they are processed for payment. The SBM then authorises the invoice for payment. All invoices are recorded by the Finance Assistant on Sage.
- 6.9. All payments to the Headteacher and Staff Governors other than salary must be approved by the Chair of Governors.
- 6.10. Budget Holders are contacted if there is a significant discrepancy between order and invoice price. This must be resolved before payment is made.
- 6.11. The Finance Assistant inputs details of payments to be made into the School's Lloyds Commercial Banking Online (CBO) Access to CBO is granted by the SBM as the administrator, and an access token obtained from Lloyds. All payments are reviewed by the SBM for accuracy and signed before two nominated signatories authorise the payment through CBO. The Finance Assistant records the payments made in Sage once completed.

Orders over £5,000 but less than £50,000

- 6.12. The "gold standard" is to obtain at least three written quotations for all orders between £5,000 and £50,000 to identify the best source of the goods/services. Written details of quotations obtained must be prepared and retained by the SBM for audit purposes. Telephone quotations are acceptable if evidence is available and faxed/emailed. As with certain tenders, where there are valid reasons for it (e.g. only specific suppliers can be expected to supply the school's requirements), a lesser number of quotations will suffice. In this situation, the rationale for obtaining fewer than three quotations should be documented. Confirmation of quotes must be received before a purchase decision is made.

Orders over £50,000

- 6.13. All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures.

Forms of Tenders

- 6.14. There are three forms of tender procedure: open, restricted and negotiated. 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 SBM/Headteacher 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 school'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

- 6.15. Full consideration should be given to: the objective of project, overall requirements, and technical skills required, after sales service requirements, form of contract.
- 6.16. 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

- 6.17. 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.
- 6.18. An invitation to tender should include the following: introduction/background to the project; scope and objectives of the project; technical requirements; implementation of the project; terms and conditions of tender; and form of response.

Aspects to Consider

- **Financial:** like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision; care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs; is there scope for negotiation?
- **Technical/Suitability:** qualifications of the contractor; relevant experience of the contractor; descriptions of technical and service facilities; certificates of quality/conformity with standards; quality control procedures; details of previous sales and references from past customers.
- **Other Considerations:** pre-sales demonstrations; after sales service; financial status of supplier. 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.

Tender Acceptance Procedures

- 6.19. The invitation to tender must state the date and time by which the completed tender document should be received by the School either in writing or email. Tenders received after the submission deadline will not normally be accepted.

Tender Opening Procedures

- 6.20. All tenders submitted should be reviewed at the same time. The tender details should be recorded (name of firm and tender amount) and original copies of letters/emails should be retained.

Tendering Procedures

- 6.21. The evaluation process should involve at least two people and must consult with the School Business Manager. 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 evaluation process.
- 6.22. 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.
- 6.23. Full records should be kept of all criteria used for evaluation and, for contracts over £50,000, a report should be prepared for the Finance, Audit & Fundraising Committee highlighting the relevant issues and recommending a decision. For contracts over £20,000 but under £50,000 the decision and criteria should also be reported to the Finance, Audit & Fundraising Committee. Cost will be a key factor in the decisions but other things will also be considered e.g. confidence in particular suppliers, reputation, specialities, availability and other such factors.
- 6.24. 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.
- 6.25. The accepted tender should be the one that is economically most advantageous to the school. All parties should then be informed of the decision.

7. Income

- 7.1. The main sources of income for the school are the grants from the DfE. The receipt of these sums is monitored directly by the SBM. The SBM is responsible for ensuring that all grants due are collected.
- 7.2. The school also obtains grants from the Trust (funded by donations). The school receives income from students in payment of trips and exams.

Educational Visits

- 7.3. A lead teacher is appointed for each educational visit to take responsibility for each trip and for the calculation of sums due. The calculations must be checked by the SBM/Finance Officer. Once the trip and budget calculation have been authorised by the Director of Studies, a letter/parent mail is prepared for each student intending to go on the trip showing the amount due.
- 7.4. Parents will make payments through the School's payment system.
- 7.5. The School's payment system is used to maintain an up to date record for each student showing the amount paid and the amount outstanding. This record is updated regularly leading up to the payment deadline and issued to the lead teacher who is responsible for organising the chasing of the outstanding amounts.
- 7.6. Once the trip has taken place the Trips and Visits Administrative Assistant will collate all the information regarding the trip and liaise with the Finance Assistant to reconcile the income and expenditure.

Lettings

- 7.7. The Lettings Co-Ordinator is responsible for maintaining records of bookings of facilities and the SBM is responsible for identifying the sums due from each organisation. Payments must be made in advance for the use of facilities as per the details in the Lettings Policy.
- 7.8. No debts will be written off without the express approval of the Governing Body. NB: The Secretary of State's prior approval is required if debts are to be written off.
- 7.9. Organisations using the School's facilities must be instructed to send all payments to the Finance Office.

Custody

- 7.10. Banking should take place if the sums collected are close to or in danger of exceeding the insurance limit on the School safe (currently £350). In certain circumstances (e.g. where a charitable collection has taken place on a Friday or the last day of a term), it is acceptable to keep a larger sum in the school safe for a short period. This period should never extend beyond two business days.
- 7.11. Monies collected must be banked in their entirety in the School bank account. The SBM is responsible for ensuring reconciliations are carried out 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 SBM.

8. Cash Management

Bank Accounts

- 8.1. The opening of all accounts must be authorised by the Governing Body. The Governing Body must also authorise all bank signatories.
- 8.2. All bank stationery, e.g. cheques must be kept securely within the SBM Office. The SBM is to make sure that the SBM's Office is locked before leaving each evening.

Purchasing Cards

- 8.3. Purchasing cards will be allocated to the Headteacher, IT & Estates Manager and SBM for facilitating the day to day running of the school where BACs or Cheque payments are not possible. The limit on each card is authorised by the Finance and Audit Committee. All transactions must be supported by a Purchase Order as set out in section 6 above. The Headteacher & SBM will also hold emergency debit cards.
- 8.4. It is the Purchasing Card holder's responsibility to keep the card safe and not to disclose the Pin Code to anyone.
- 8.5. Card holders will provide a monthly reconciliation of their card to the bank statement, supported by all relevant documentation, receipts etc. These will be checked and agreed by the SBM (for the Estates Manager), the Headteacher (for the SBM) and Chair of FAF (for the Headteacher).
- 8.6. Purchasing card transactions are recorded in Sage using a separate Credit Card Bank account for ease of tracking, with transfers to settle the bill each month from the School account also

recorded.

Deposits

- 8.7. Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details must include the amount of the deposit and a reference, such as the number of the receipt or the name of the debtor.

Payments and withdrawals

- 8.8. All cheques and other instruments (excluding purchasing card payments) authorising withdrawal from school bank accounts, including online payments, must bear the signatures of two of the following authorised signatories: Headteacher, SBM, Deputy Head, Junior Deputy Head, Director of Studies.
- 8.9. This provision applies to all accounts, public or private, operated by or on behalf of the Governing Body.
- 8.10. In the interests of security, petty cash payments will be limited to £250 where possible. Higher value payments should be made directly from the main bank account.
- 8.11. The School does not allow staff to cash personal cheques.

Administration

- 8.12. The SBM must ensure bank statements are received regularly and that reconciliations are performed on a weekly basis. Reconciliation procedures must ensure that: all bank accounts are reconciled to the academy's cash book; reconciliations are prepared by the SBM / Finance Officer; reconciliations complete with the bank statement are subject to an independent review. Adjustments arising are dealt with promptly.

Petty Cash Accounts

- 8.13. The academy maintains a maximum cash balance of £350 where possible. The cash is administered by the SBM and Finance Officer and is kept in the school safe.
- 8.14. The main deposits to petty cash are from cheques cashed specifically for that purpose. The receipt must be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. If cashing a cheque is not possible and other cash receipts are available for use a Journal will be posted in Sage to reflect the original receipt and the transfer of cash to petty cash.

Administration

- 8.15. The Finance Officer is responsible for entering all transactions into the petty cash records on a regular basis. Regular as well as unannounced cash counts must be undertaken by the SBM to ensure that the cash balance reconciles to supporting documentation. The SBM periodically checks the contents of the petty cash tin and reconcile it to the cash balance indicated by Sage.

Physical Security

- 8.16. Petty cash is held in a locking cash box which is put in the safe overnight.

Cash Flow Forecasts

- 8.17. The SBM 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 considered to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to re-profile planned expenditure to cover potential cash shortages.

Investments

- 8.18. Investments must be made only in accordance with written procedures approved by the Finance, Audit & Fundraising Committee/Governing Body.
- 8.19. 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, plus maturity date for any fixed term investments. Additional procedures may be required to ensure any income receivable from the investment is received.

9. Assets

Fixed Asset Register

- 9.1. All items purchased with a value over The Henrietta Barnett School's capitalisation threshold (£1,000) must be entered in an asset register. The asset register must include the following information; asset description, date of acquisition, asset cost, expected useful economic life, depreciation, current book value.

- 9.2. The Equipment Inventory records the equipment within the school above a de minimis value of £100 (NB: electronic items are all recorded irrespective of value). This helps to; ensure that staff take responsibility for the safe custody of equipment, enable independent checks on the safe custody of equipment, as a deterrent against theft or misuse, manage the effective utilisation of equipment and to plan for their replacement, support insurance claims in the event of fire, theft, vandalism or other disasters.

Security of assets and equipment

- 9.3. Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.
- 9.4. All the items in the register should be permanently and visibly marked as the School'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 School property should be kept up to date and reviewed regularly. Where items are used by the School but do not belong to it, this should be noted (e.g. photocopiers).

Disposals

- 9.5. Items which are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher and, where significant and appropriate, 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.
- 9.6. Disposal of equipment to staff is not encouraged, as it may be more difficult to provide evidence that the school obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the school needs to ensure licences for software programmes had been legally transferred to a new owner.
- 9.7. The School is expected to reinvest the proceeds from all asset sales for which capital grant was paid. If the sale proceeds are not reinvested then the school must repay to the DfE a proportion of the sale proceeds.
- 9.8. All disposal of land must be agreed in advance with the Secretary of State.

Loan of Assets

- 9.9. Property must not be removed from school premises without the authority of the Senior Team.
- 9.10. If equipment items 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 School's auditors.

Monitoring and Review: This policy will be reviewed annually by the School Business Manager.

Ratified by Governors' Finance, Audit & Fundraising Committee: January 2026

Next Update: January 2027