

FINANCIAL POLICY & PROCEDURES

Lead	CFO
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FINANCIAL POLICY & PROCEDURES

Throughout the Financial Policy and Procedures, a necessary feature stated and implemented is the segregation of duties between the CEO and CFO. The segregation of these two postholders must be adhered to and maintained in all functions and processes.

1. Introduction

The Collegiate Trust is a partnership of schools in Crawley and Croydon whose purpose is to build *collaboration to deliver exceptional education*, and whose vision is *exceptional education for all*. This is reflected in our Trust's values: **ambition & collaboration**, as well as in our desired outcomes: **achievement & enjoyment**. This policy provides a key mechanism that informs our wider *Trust Improvement Strategy*.

1.1 Purpose

These *Financial Procedures* define a framework of accountability for staff, Directors and Governors, outlining responsibility within day-to-day financial management. It is essential that internal systems operate effectively to meet ESFA requirements and it is vital that all the financial procedures are clear, precise and inform those involved in the financial aspects of running the establishment; what is expected of them, thus reducing the risk of procedures not being implemented effectively.

1.2 Legal and Statutory Framework

The policy has due regard to legislation and statutory guidance, including but not limited to the following:

- The Employment Relations Act 1999
- Companies Act 2006
- The Equality Act 2010
- ESFA Academy Trust Handbook 2022

1.3 Links to other Policies

This policy operates in conjunction with the following Trust policies:

- Salary Policy
- Reserves Policy
- Expenses Policy
- Fraud Policy
- Investment Policy
- Central Funds and Recharges Policy
- ARFC Terms of Reference

2. Roles, Responsibilities & Delegation

Role	Notes	Key Responsibilities
Members	Five Members, none of whom are employees of the Trust. The Chair of the Board of Directors shall be appointed as a Member.	<ul style="list-style-type: none">• Appointing or removing the Trust's auditors and receiving the audited annual accounts• Conducting the business of the Trust in accordance with company and charity law – delegated to the Board of Directors• Appointing six Directors, one of whom will be the CEO• Evaluating the performance of the Board of Directors in carrying out its responsibilities

Directors	Nine Directors, one of whom shall be the CEO.	<ul style="list-style-type: none"> • Conducting the business of the Trust in accordance with company and charity law – as delegated by the Members • Co-opting three Directors to ensure a balance of skills and knowledge on the Board • Overseeing the financial performance of the Trust and ensuring that all funds are used in line with the Trust’s funding agreement and the <i>Academy Trust Handbook</i> • Overseeing the educational standards of the Trust, in line with the expectations of the DFE, RSC and OFSTED • Ensure that the Trust’s practices reflect the seven principles of public life • Approve the annual budget for the whole Trust • Ensure that all assets are effectively managed • Appoint all sub committees and approve terms of reference • Appoint the CEO who will also be the Accounting Officer • To ensure the Trust have effective financial procedures in place
CEO	As <i>Accounting Officer</i>	<p>Have oversight of financial transactions, by:</p> <ul style="list-style-type: none"> • Ensuring the Trust’s property and assets are under the trustees’ control, and measures exist to prevent losses or misuse • Ensuring bank accounts, financial systems and financial records are operated by more than one person • Keeping full and accurate accounting records to support their annual accounts. <p>With regard to fraud, to ensure:</p> <ul style="list-style-type: none"> • Internal controls are in place to minimise the risk of fraud • Effective mechanisms are in place to report instances of fraud • Vigorous and prompt investigations are carried out when required • Appropriate legal and /or disciplinary action, including the involvement of the Police where appropriate • Steps are taken to ensure that the threat of similar future frauds is minimised • Appropriate measures are taken to ensure the return of assets and to minimise the loss • Informing the ESFA where there has been a breach in the articles of association, funding agreement of the <i>Academy Trust Handbook</i>

CFO		<ul style="list-style-type: none"> • Lead on the Trust’s strategic financial activity within the framework for financial control determined by the Board • Ensure that all financial matters overseen at Trust level are managed effectively • Ensure that all financial matters delegated to academies are monitored effectively • Ensure that effective financial procedures are in place • Ensure that all statutory returns are made in line with ESFA deadlines • Liaise with Principals regarding financial matters in their school • Preparation of monthly management accounts • Main point of contact for external auditors, through which any communication should be passed • Management of the finance team
COO		<ul style="list-style-type: none"> • To oversee all aspects of legal advice to the Trust • To maintain an up to date Asset Register • To oversee all aspects of HR work • To oversee all aspects of governance • To manage the Trust’s capital investment • To oversee all aspects of H&S work across the trust • To oversee all premises and property developments
Internal Audit		<p>The Trust employs an external audit firm to carry out the Internal Audit in the Spring and Summer terms. The audit programme will be prepared on a risk-based approach and be approved by the ARFC. The programme will focus on:</p> <ul style="list-style-type: none"> • Evaluating the suitability of, and level of compliance with, financial and non-financial controls, including assessing whether procedures are designed effectively and efficiently, and checking whether agreed procedures have been followed • Offering advice and insight to the board on how to address weaknesses in the financial and non-financial controls, acting as a catalyst for improvement, but without diluting management’s responsibility for day to day running of the Trust • Ensuring all categories of risk are being adequately identified, reported and managed. <p>To provide the Board with assurance that:</p> <ul style="list-style-type: none"> • The financial responsibilities of the Academy Trust are being properly discharged; • Resources are being managed in an efficient, economical and effective manner; • Sound systems of internal financial and non-financial control are being maintained; • The conflict of interest existing between the CEO and CFO is being effectively managed.

		<i>The Audit, Risk and Finance Committee should meet at least 3 times a year to consider any reports from the internal scrutineer when they meet.</i>
External Audit		To provide the board with assurance that: <ul style="list-style-type: none"> • That the financial statements present a true and fair view of the trust’s financial performance and are free from error in their opinion; • Conduct a regularity audit on the financial statements and report accordingly; • Provide a management letter detailing any concerns raised in the audit.
Local Governing Bodies		<ul style="list-style-type: none"> • To implement the Board’s <i>Scheme of Delegation</i> for administering the school
Principal		<ul style="list-style-type: none"> • To implement the Board’s <i>Scheme of Delegation</i> for administering the school

3. Accounting System - Expectations & Controls

3.1 All colleagues with financial responsibility must act with regard to best value, demonstrating: **probity** (no related party transaction, no private gain, no favouritism, no corruption); **accountability** (for expenditure and the conduct of the Trust’s affairs); **value for money** (economy, efficiency and effectiveness).

3.2 The Trust utilises the SAGE financial system for all aspects of financial management; all transactions are recorded on this system. Entry to the system is password restricted and the Finance Manager is responsible for implementing a system which ensures that passwords are changed within regular intervals (at least every 6 months). Access to the component parts of the accounting system can also be restricted and the Finance Manager is responsible for setting access levels for all members of staff using the system.

3.3 Except where there are good reasons to the contrary, contracts must be placed on a competitive basis, the lowest tender or price to be accepted; where a different decision is taken the reasons for it must be documented.

3.4 Contracts should also be reviewed and re-negotiated at regular intervals where appropriate. Where appropriate the Trust will enter into an Operating Lease. All leases must be approved by the CFO. The Trust will also consider the awarding of contracts through Central Government agreed Framework Agreements.

3.5 Purchasing

All purchases will be made in line with The Collegiate Trust’s Procurement Policy.

3.5.1 All purchasing must be conducted through the SAGE system. Official Purchase Orders are completed on Sage and authorised by the budget holder. It is the budget holder’s responsibility to ensure that they have sufficient budgetary provision and that best value is achieved. This produces both a commitment against the department cost code and the official order for e-mail, fax or posting. If an order exceeds the budget, the purchase order is returned to the budget holder who can discuss the potential overspend with the CFO. Orders are sequentially numbered by the accounting system.

3.5.2 Purchases over the internet should only be used where the goods or services cannot be effectively or economically obtained via traditional methods and where best value is being achieved. (The cost

of P&P and any returns needs to be taken into account; as well as to ensure goods are purchased in the establishment name, not a named private individual, which is important for warranty purposes).

- 3.5.3 If purchasing goods or services using the internet, it will be from secure sites (those displaying “https” at the start and displaying a padlock symbol). When orders are placed over the internet, an order confirmation will usually be displayed, or an email received together with the method of payment. This evidence must be printed off and kept with the authorisation to purchase (along with all transaction documentation and associated emails). Procedures on receipt and payment of goods and services from the internet will remain the same as per traditional methods, e.g. authorisation from budget holders. Some smaller traders may use third party payment agents, e.g. PayPal who are unable to issue VAT receipts or invoices, therefore best value must be considered.
- 3.5.4 Where it is necessary to purchase items using petty cash the budget holder must authorise expenditure. All petty cash claims should be processed through the Finance Team on the appropriate claim form and authorised by the Budget Holder. The petty cash limit has been set at £100. This limit will be reviewed on an annual basis.
- 3.5.5 Purchases must not be delivered to any other location than a school/Trust site. Deliveries made to personal addresses will not be permitted and the cost of any such items will not be reimbursed.
- 3.5.6 The Trust has also entered into an agreement for the supply of fuel cards for each vehicle in use across the Trust. Receipts must be obtained when using the card and submitted to the Finance Team in a timely manner to ensure that all accounts can be reconciled.
- 3.5.7 Purchases or expense claims made by the CEO or CFO must be authorised by the COO.

3.6 Receipt of Goods & Payment

- 3.6.1 Goods are then delivered to the budget holder who checks the quality and quantity of the goods against the order placed – discrepancies are reported to the finance team immediately so that the supplier can be contacted and invoices can be placed in dispute as appropriate.
- 3.6.2 Invoices are passed to the finance team and are stamped with an invoice certification grid, which determines if the invoice has been checked for accuracy of:-
- A valid invoice/VAT invoice as appropriate.
 - Mathematical accuracy if handwritten.
 - Matched and checked to an outstanding order if appropriate and referenced back to the order if not detailed on the invoice.
 - Indications of it being a copy and not an original.

Payments shall normally be made against original invoices, not delivery notes, statements, faxes or reminders provided by suppliers.

- 3.6.3 Payments are usually made by bank transfer.
- Any blank pre-printed cheques and cheque books are kept in the safe and no pre-signed cheques are ever held.
 - The Finance Manager decides which creditors should be paid based on the due dates with regard to maximising the establishment’s cash flow.
 - When creating a BACS run, the Finance Manager / Assistant produces a proposed cheque run report. Electronic remittance advices are then produced and emailed to the payee.
 - The cheque and remittance advice detailing invoices paid are sent to the supplier and invoice/cheque advice slips are filed in cheque number order, latest number at the top.

- This procedure clearly evidences there are no missing cheques in the system.
- Any manually completed cheque payments follow the same procedure, except at the manual cheque writing stage, the signed cheque is photocopied and filed in a “manual cheque payments” folder, in sequential order, latest cheque number at the top.
- Cancelled or spoiled cheques must be retained and filed in sequential order, clearly marked across the face as “CANCELLED”
- Invoices paid by BACS are annotated with the date of the BACS run and filed alphabetically by supplier name, most recent invoice on top.
- The authorisation grid details purchase order references where appropriate.
- It is considered best practice not to keep purchase order documentation alongside cheque/invoice documentation in case of loss.
- Reconciliations detail the reconciliation date, accounting system balance, and any variations to the accounting system figures before arriving at the statement balance. (Items of variation might be payments made to supplier but not received, or invoices issued by supplier, not registered in the system).

3.6.4 Non-order invoices are checked by the Finance Team to ensure that they are reasonable, and the exact same procedures are adhered to, for processing order invoices. Non-order invoices usually relate to telephone orders (only made in emergencies and kept to a minimum); examples include: inspection copies of books; catering invoices; supply teacher invoices; or recurring charges such as utility bills.

3.6.5 Direct Debits will save both staff time and the cost of cheque stationery if used for regular payments for services; provided these services are secure (i.e. rates, leases etc.) and that:

- The finance team record each Direct Debit set up, listing payment details, dates and length to run etc. in a register.
- VAT can only be re-claimed, provided the supplier submits a VAT statement.
- The finance team must reconcile Direct Debits regularly.
- The team must be aware of Direct Debit payments due when assessing the available balance for other payments.

3.6.6 It is sometimes necessary to purchase items for the Trust for which it is not possible to place an order, await delivery and pay an invoice; for example, catering supplies for general use which are more easily and cheaply purchased at local supermarkets or special offers on books and resources available online from non-educational suppliers. Each School has been issued with a charge card in the name of the Principal or Head of School, the cards have the following credit limit;

Primary School	£1,500
Secondary School	£3,000
Central Trust	£3,000

The Executive Principal over The Quest Academy and Quest Primary School also holds a card with a credit limit of £3,000 and a single transaction limit of £500.

In addition, the CEO, COO and CFO have a debit card.

- The cards are only to be used by the named holder or by another budget holder and then under the supervision of the named holder
- A full VAT receipt must be acquired for all Debit and Charge Card purchases
- The budget holder must sign for all purchases made using a card for which they have responsibility
- Any loss of a card must immediately be reported to the CFO

- The cards must not be used for any personal or private purchases. Such use will be deemed gross misconduct and dealt with accordingly under the *Staff Disciplinary Procedure*
- It is the responsibility of each card holder to ensure that these procedures are complied with
- The termination of any cards will be reported at the next *Audit & Finance Committee* meeting.

4. Levels of Financial Authority

Value of Contract / Purchase (£)	Control	Instruction
1 – 999	Budget holder	Discretion
1,000 – 14,999	Principal	Discretion
15,000 – 34,999	Principal	Approval of CFO
35,000 – 74,999	COO	3 written quotes - leases/capital items Approval of CFO
75,000 – 174,999	CEO	Competitive Tender
175,000+	Board of Directors	Competitive Tender

5. Payments to Staff

5.1 Payroll

The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments

5.1.1 The Principal has the authority to appoint staff within their authorised establishment and according to the *Staff Salary Policy*. The HR Manager will maintain personnel files for all members of staff, which include copies of signed contracts of employment and appropriate records of safeguarding checks, although not DBS certificates. The DBS certificate number should be recorded on the single central register. All personnel changes must be notified, in writing, to the CFO to enable budget monitoring of the Salaries budgets. All changes should also be notified to the Finance Manager via a Notification to Payroll form in good time for implementation in the next payroll run.

5.1.2 Payroll is processed in-house. All Payroll transactions relating to Trust staff, permanent or casual, will be processed through the payroll system. Payments for employment will not be made to staff through any other mechanism.

5.1.3 After the payroll has been processed, but before payments are dispatched, a print-out of salary payments by individual and showing the amount payable in total will be obtained from the system. The print-out must be reviewed by each Principal, authorised and sent back to the Finance Manager to process. All salary payments are made by electronic transfer.

5.1.4 The Finance Manager will undertake a monthly reconciliation of current month's and previous month's gross salary and investigate any variances.

5.1.5 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. The amounts payable are summarised on the gross to net pay print; the Trust will make monthly BACS payments from the Trust bank account to the relevant pension agencies (TPS and LGPS) on 7th of each month and to HM Revenue & Customs on 22nd of following month.

5.1.6 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 CFO will 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 and to identify any amounts posted to the suspense account.

5.2 Payments to individuals

5.2.1 All payments to employed staff, including expenses must go through payroll to ensure the HMRC legislation is complied with. Self-employed people who can prove that they are registered with HMRC are excluded and can be paid direct.

5.2.2 Self-employed individuals must sign a declaration agreeing that they will declare all payments to HMRC on an annual basis through their tax returns. The declaration should include their full name, NI number, address, their unique tax reference (UTR) and a brief description of the work they have been commissioned for.

5.3 Special payments

5.3.1 All contractual payments for redundancy under £50,000 are covered by the Redundancy Policy. Any payments over £50,000 will be made with prior approval from the ESFA.

5.3.2 ESFA prior approval must be obtained before making a special staff severance payment where:

- An exit package which includes a special severance payment is at, or above, £100,000; and/or
- The employee earns over £150,000.

5.3.3 Any other payments for staff severance pay, compensation payments or ex-gratia payments will be made in line with financial regulations. Any amounts not covered by the Risk Protection Insurance will have approval from the Trust Board.

6. Related party transaction

6.1 The COO will report all contracts and other agreements with related parties to the ESFA in advance of the contract or agreement commencing, using ESFA's related party on-line form for the supply of goods or services to the Trust where any of the following limits arise:

- A contract or other agreement exceeding £20,000
- A contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with the related party exceeds, or continues to exceed, £20,000 in the same financial year ending 31 August.

6.2 The Trust will maintain an up-to-date register of interests of all related parties at all times.

6.3 The Trust will pay no more than 'cost' for goods or services supplied by a related party as described in part 5.49 of the Academies Trust Handbook.

6.4 The Trust will ensure that any agreement with a related party to supply goods or services to the Trust is properly procured through an open and fair process and is:

- Supported by a statement of assurance from that individual or organisation to the trust confirming their charges do not exceed the cost of the goods or services, and
- On the basis of an open book agreement including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply.

7. Novel, contentious and repercussive transactions

7.1 Training for Principles and Trust Leaders in order to understand such transactions will be delivered in line with section 20.2.

7.1 If such transactions are proposed, they must be brought to the CFO immediately who will refer them to the ESFA for approval in advance of the transaction taking place. Sufficient time must be allowed for approval to be considered.

The training for Principles and Trust Leaders will outline that:

- Novel transactions are those of which the Trust has no experience, or are outside its range of normal business.
- Contentious transactions are those that might cause criticism of the Trust by Parliament, the public or the media.
- Repercussive transactions are those likely to cause pressure on other Trusts to take a similar approach and hence have wider financial implications.

8. Bank accounts

8.1 The Trust has established robust controls for the operation of bank accounts incorporating the following control features:-

- The opening and closing of bank accounts are authorised by the CFO
- The CFO directs the arrangements for the operation of the accounts including any transfers between accounts
- There are four authorised signatories. (CEO, COO, CFO and the Director of Education)
- Two authorised signatories are required for all withdrawals and payments made from bank accounts. This must not include a combination of signatures from the CEO and CFO.
- All cheques are crossed "account payee only"
- Cheques are not be pre-signed
- Unused cheque books are retained securely
- Bank reconciliations are performed monthly from bank statements to accounting records and any reconciling items should be resolved.
- Bank reconciliations are reviewed and countersigned by the CFO

9. Insurance

The Trust bought into the *Risk Protection Arrangement* cover directly with ESFA and buys additional cover as needed.

10. Income

The *Finance Manager* shall ensure that all income is accurately accounted for, promptly collected and banked intact.

11. Fixed Assets

The Trust will maintain an asset register of all equipment costing over £1,000. The register will assist the Trust to;

- help external auditors to identify additions and disposals during the financial year
- to manage the effective utilisation of assets and to plan for their replacement
- enable independent checks on the safe custody of assets

Disposal of assets by sale or destruction must be authorised by the COO and communicated to the CFO.

The Trust must obtain prior approval from the ESFA if disposing of any freehold land, buildings or other heritage assets. ESFA approval must also be obtained if acquiring freehold land or buildings.

12. Risk Management

The Trust maintains a central *Risk Register* which is regularly reviewed by the ARFC.

13. Budgeting

13.1 The Trust prepares three-year budgets. The budget is prepared as part of the development planning process indicating how the Trust's educational and other objectives will be achieved within the expected level of resources available.

13.2 The budgetary planning process has four phases and will follow the timescale below:

- Phase 0 – budget monitoring and regular discussion with Principals – all year
- Phase 1 – benchmarking, investigations and conversations with Principals and LGB addressing anomaly areas – December to March
- Phase 2 – review of Trust's strategic plan and alignment with budgets – December to March
- Phase 3 – preparation of three-year budgets and review by ARFC before approval by Directors. Distribution of agreed budgets to Principals – July

13.3 The budgetary planning process will incorporate the following elements:

- Forecasts of the likely number of pupils to estimate the amount of grant receivable.
- Review of other income sources available to assess likely level of receipts.
- Review of past performance against budgets to promote an understanding of the establishment cost base.
- Identification of potential efficiency savings; and
- A 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.

13.4 The completed budget is presented to the ARFC and then to the full Trust Board for approval.

13.5 When the budget has been fixed for the financial year, the Principal has the authority to spend within the agreed budget.

13.6 The agreed budget must be submitted to the ESFA through the Academies Budget Forecast Return (BFR) each July in accordance with deadlines published annually.

13.7 All virements are approved by the CFO.

14. Budget Monitoring

Financial Document	Oversight	Frequency
Management Accounts	Principals Chair of LBG Chair of Board Full Trust Board	Monthly Monthly Monthly Quarterly
Audited Financial Statements	ARFC Full Trust Board	Annually Annually
Internal Audit Report	ARFC Full Trust Board	Annually Annually
Capital Plan	ARFC	Standing Item
Trading Company Accounts	ARFC	Standing Item

Monthly management accounts include:

- Executive Summary
- Commentary on performance
- Individual school and central trust income and expenditure statements
- Variance Analysis and Key Performance Indicators
- Balance Sheet
- Cashflow Statement
- Transactions over £15,000

- 14.1 The CFO will discuss the monthly management accounts with Principals and note any variations from budget. The CFO will raise any areas of concern for justification and a future expectation to be provided by the Principal.
- 14.2 Should any school budget forecast a deficit in excess of 2% of the annual GAG income, that school budget will automatically fall under further review by the CFO. This will include but is not restricted to:
- A review of staffing structures – Principals will be required to report all staffing changes to the CEO/CFO prior to implementation;
 - A review of expenditure – all non-fixed expenditure (not including utilities, rates, etc.) will be scrutinised at order level and authorised by the finance team prior to expenditure;
 - A review of other possible sources of income not reaching full potential
 - Budget areas will be reviewed and restricted where appropriate without compromising the quality of education being delivered.
- 14.3 The outcome of the further review will be discussed with Principals and a recovery plan will be implemented to bring the school back to operating as close to the budget as possible.
- 14.4 The review will conclude when the school budget forecast deficit falls below 2% of the annual GAG income.

15. VAT and other Taxes

- 15.1 The Trust is registered for VAT (Registration Number 136320051) at present, but this will be kept under review. Claims are made for business related expenditure on-line quarterly to HMRC.
- 15.2 Staff are not allowed to make purchases through the system to avoid payment of VAT.
- 15.3 VAT returns are administered by the CFO who has responsibility of ensuring full compliance with the regulations.

16. Depreciation

- 16.1 The Trust will depreciate fixed assets in line with recognised accounting standards, academy best practice and EFA guidelines. Depreciation rules were approved by Directors in advance of preparing the annual accounts in the first year of operation. Any revisions thereafter have been approved by the Trust Board.
- 16.2 Depreciation is provided for at the following annual rates in order to write off each asset over its estimated useful life.
- Fixtures, fittings and equipment on 20% straight line basis
 - ICT Equipment on 25% straight line basis
 - Motor vehicles on 25% reducing balance basis
 - Plant and machinery on 20% reducing balance basis

- Freehold Buildings on 2% straight line basis
- Leasehold Buildings over 50 years straight line basis
- Land not depreciated

17. Write-offs and entering into liabilities

The Trust must obtain prior approval from the ESFA for the following transactions beyond the delegated limits below:

- Writing-ff debts and losses
- Entering into guarantees or letter of comfort
- Entering into indemnities which are not in the normal course of business

Delegated limits:

- Smaller of 1% of total annual income or £45,000 per single transaction
- Cumulatively, 5% of total annual income up to £250,000 in any financial year per category of transaction if the Trust has submitted timely, unqualified accounts for the previous two financial years.

17.1 The Trust will pursue all its debtors until all outstanding monies are paid in full. Advance payments may be sought in order to minimise the risk of bad debts occurring.

17.2 From time to time money owed to the Trust will not be paid over by the debtor resulting in 'bad debts'. The Principal has delegated authority to decide to whether to write off such 'bad debts' but only once a series of requests for payment have been made.

17.3 Checks will be carried out on a regular basis of all monies owed to the Trust to ensure regular payments are being made.

17.4 Bad debts to be written off will be detailed on a termly basis and sums above £100 will then be reported to the Audit Committee for their approval. A record will be kept on file of all bad debtors. The Trust shall not enter into any new arrangements with debtors who have a historical debt with the Trust (unless the debt is cleared beforehand).

17.5 The Trust will assess and confirm value for money before accepting any liabilities by issuing guarantees, a letter of comfort or indemnity.

17.6 The Trust will consider the level of cover provided by the Risk Protection Insurance before seeking any approval for an indemnity from the ESFA.

18. Unserviceable, surplus/ obsolete equipment

18.1 The amount at which an item should be recorded on the inventory will be set at £1,000.

18.2 Unserviceable equipment not of sufficient value to be recorded on the inventory may be written off at the discretion of the Chief Operating Officer (COO). Staff should seek the approval of the COO before disposing of any surplus equipment in this category.

18.3 For items recorded on the inventory no item should be disposed of or removed from the inventory records without the initial authorisation of the COO.

18.4 The sale of any surplus or damaged equipment shall be such as to ensure maximum income to the Trust. All such sales will be reported to the Audit Committee and minuted accordingly.

18.5 The method of disposal of any surplus, damaged or obsolete equipment shall be delegated to the COO and reported retrospectively to the Audit Committee and minuted accordingly. In such circumstances unserviceable or scrap items may at the COO's discretion, be broken down and disposed of in the most appropriate manner and in accordance with any legal requirements.

19. Missing equipment

If after all attempts to locate missing equipment have been made, then authority to write off the item will be delegated to the COO. All items written off which have a value of £1,000 or greater will be reported to the Finance Committee at the next available opportunity. The inventory record will be updated on a timely basis to reflect the reason for write off and dated accordingly.

20. Staff training

20.1 Staff training will be provided on an ongoing basis to accommodate new staff, new systems or new procedures and to support staff as and when required.

20.2 In addition regular staff training will be delivered as follows:

- September – CFO delivers training to central finance team; COO delivers training to Governance and HR teams
- September – Finance manager delivers training to school-based finance/admin personnel
- January – CFO and COO deliver training to Governors, Directors and Members as part of the Trust's Development Day
- June – CFO and COO deliver training to Principals and other Trust Leaders as part of the Trust Leaders' Strategy Day

21. Retention of Records

21.1 A full inventory shall be updated and reported to Audit Committee on an annual basis.

21.2 Checks shall be carried out by the COO (at least once per year) to verify inventory items.

21.3 The inventory will be updated regularly to show removals /additions of new stock.