The Keep Learning Trust

Creating Chances and Choices

Financial Regulations 2026-2027

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1. Introduction

The purpose of this handbook is to ensure that all Academies within The Keep Learning Trust (KLT) maintain and develop 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 the funding agreement with the Department for Education (DfE).

The Keep Learning Trust and each individual academy within the Trust must comply with the principles of financial control outlined in the Academies Trust Handbook 2026 published by the DfE. This handbook expands on that and provides detailed information on the accounting procedures and system manual and should be read by all staff involved with financial systems.

2. Organisation/Governance

Each 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. These are detailed in the Scheme of Financial Delegation (see Appendix A).

The Keep Learning Trust

The Trustees have overall responsibility for the administration of each academy's finances within the Trust. The main responsibilities of the Trust are prescribed in the Funding Agreement between the Trust and the DfE and in the KLT's scheme of governance. The main responsibilities include:

- Ensuring that grants from the DfE are used only for the purposes intended;
- Ensuring that funds from sponsors are received according to the academy's Funding Agreement, and are used only for the purposes intended;
- Ensuring the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money;
- Approval of an annual balanced budget;
- Appointment of the Accounting Officer, Chief Operating Officer, Headteachers, Chief Finance Officer and a governance professional
- Appoint external auditors and ideally retender at least every 5 years
- Performance Management Reviews for the Accounting Officer
- Review of the Trust's investments
- The regular monitoring of actual expenditure and income against budget
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfEs guidance issued to academies
- Authorising the award of contracts as detailed in Appendix A of Scheme of Financial Delegation
- Authorising changes to the academy personnel establishment and
- Reviewing the reports of any SRMA deployment and internal scrutineer on the effectiveness of the financial procedures and controls.

The Keep Learning Trust have responsibility to review and approve the initial annual budgets of all academies within the Trust.

The Trust must meet at least three times per year and it must be quorate. Financial scrutiny and oversight is overseen by the Finance, Operations, Risk and Audit Committee and reviewed at Trust board meetings. The trust must ensure that it reviews the cash flow position regularly to avoid going overdrawn.

In addition, financial reports are shared with the Chair of Trustees on a monthly basis.

The Trustees must understand their statutory duties as laid down in the Academies Trust Handbook. These comprise the duties to:

- act within their powers;

- promote the success of the company;
- exercise independent judgement;
- exercise reasonable care, skill and diligence;
- avoid conflicts of interest;
- not to accept benefits from third parties; and
- declare interest in proposed transactions or arrangements
- Review management accounts which includes, income and expenditure, variation to budget report, cash flow, balance sheet and KPI information.

The Academy Trust Handbook 2026 states that the Trust should identify the skills and experience that it needs, and address any gaps through recruitment, and/or induction, training and other development activities. The Trust must provide details of its governance arrangements. A key feature is a Trust review of governance including a consideration of the composition of the board in terms of skills, effectiveness, leadership and impact.

The Trust must be even handed in their relationships with connected parties by ensuring that the requirements for managing such relationships are applied across the Trust. The Chair of the Trust and the Accounting Officer must manage personal relationships with connected parties to avoid real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life:

- selflessness;
- integrity;
- objectivity;
- accountability;
- openness;
- honesty; and
- leadership

Chief Financial Officer

The Chief Finance Officer works in close collaboration with the Trustees, Accounting Officer, Chief Operating Officer and Headteacher's of all Academies within the Trust. The main responsibilities of the Finance Officer are:

- The management of each Academy's financial position at a strategic and operational level within the framework for financial control determined by the Trustees;
- The maintenance of effective systems of internal control;
- The completion of monthly financial reconciliations
- The preparation of monthly/half-termly monitoring reports on the budgets for each establishment within the Trust, including income and expenditure reports and cash flow forecasts as appropriate;
- Meeting with the Headteacher of each academy termly to review income and expenditure to the end of the period and discuss any changing priorities in year;
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy;
- Ensuring forms and returns are sent to the DfE in line with the timetable in DfE guidance.

Finance/Administrative Staff

Some financial operational tasks are undertaken by each Academy's finance/administrative staff and undertaken in collaboration with the Chief Finance Officer. The main responsibilities of the Finance/Administration Staff are:

- The day to day management of financial issues
- Input of transactions on the finance system (orders, invoices, petty cash, income, credit card receipts)
- Timely payment of suppliers
- Monitoring parental income

The Accounting Officer

The Chief Executive Officer has been designated to the role of Accounting Officer. These duties include being responsible for the overall organisation, management, and staffing of all Academies within The Keep Learning Trust and for its procedures in financial and other matters including conduct and discipline.

The Accounting Officer is personally responsible to Parliament and to the accounting officer of the DfE for the resources under their control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge. Essentially Accounting Officers must be able to assure Parliament and the public of high standards of probity in the management of public funds

The Accounting Officer must advise the board of Trustees in writing if, at any time, in his opinion, any action or policy under consideration by the local governing body is incompatible with the terms of the Handbook or Funding Agreement. Similarly, the accounting officer must advise the board in writing if the board appears to be failing to act where required doing so by the terms and conditions of the Handbook or Funding Agreement.

Where the board of Trustees is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons the board gives for its decision. If, after considering the reasons given by the board, the Accounting Officer still considers that the action proposed by the board is in breach of the Handbook or Funding Agreement, the Accounting Officer must advise in writing the DfE's accounting officer of the position.

The Accounting Officer is required to include value for money reporting within the governance statements in the Annual Accounts explaining how the Trust has secured value for money. An assessment of the Trust's governance, including a review of the composition of the board in terms of skills, effectiveness, leadership and impact should also be reported within the governance statements.

The Accounting Officer is required to share with the Trust the annual 'Dear Accounting Officer' letter sent by the DfE's Accounting Officer.

The Accounting Officer must complete and sign a statement on regularity, propriety and compliance each year and submit this to the DfE within the audited accounts.

Much of the financial responsibility has been delegated to the Chief Finance Officer but the Accounting Officer still retains responsibility for:

- Approving new staff appointments within the authorised establishment, except for any senior staff posts which the Trustees have agreed should be approved by them;
- Authorising contracts as detailed in the Scheme Financial of Delegation – Summary of Financial Authorisation Levels (Appendix A)*;*
- Signing cheques/authorising BACS in conjunction with the other authorised signatories.

Internal Scrutiny – Delivering Assurance

All academy trusts **must** have a programme of internal scrutiny to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively.

The Trust will review the risks to internal financial control within it and agree an annual programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditors. The Trust shall maintain a formal risk register reviewed at each FORA and the top risks reviewed at each Trust Board.

The internal scrutiny programme is delivered through one of the following options:

- employing an in-house internal auditor
- a bought-in internal audit service from a firm, other organisation or individual with professional indemnity insurance
- the appointment of a non-employed trustee
- a peer review by the chief financial officer from another academy trust.

The trust should satisfy itself that the trust supplying the reviewer has a good standard of financial management and governance and should minute the basis for its decision. The peer reviewer should be independent of the trust. In addition, the Trust may also appoint an internal auditor to provide additional assurances as appropriate.

The Trust currently buy in internal scrutiny services from Shard business. The main duties of the internal scrutineer are to provide the Trustees with independent assurance that:

- financial responsibilities of the Trust 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

Internal Scrutiny reviews will be undertaken by an agreed programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the members.

A report of the findings from each visit will be presented to the Finance, Operations, Risk and Audit committee/Trust board and appropriate action taken to implement and monitor recommendations.

The Chief Finance Officer will also undertake monthly monitoring and internal risk reviews for each of the academies within KLT, focusing upon the systems of internal control at each academy.

The Trust has a process in place for ensuring that its financial systems, controls, transactions and risks are rigorously managed.

Other Staff

Other members of staff, primarily budget holders, will have some financial responsibilities and these are detailed in the following sections of this manual. 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/Transparency

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, governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the academy may purchase goods or services. The register is open to public inspection.

The register also includes all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation, which may have dealings with the academy. The disclosures also include business interests of relatives such as a parent or spouse or business partner where that person could exert influence over a governor or a member of staff.

The register must also identify close family relationships between members or trustees, and between members or trustees and the trust's employees.

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

Relevant business and pecuniary interests of Trustees and members and details of its governance must be published on each Academy's website within the Trust.

3. Accounting system

All the financial transactions of each academy are recorded on the trust accounting system. The accounting system is operated by the Chief Finance Officer and finance/ administrative staff.

The trust will operate finances through The Access Group from 1 September 2020, for all academies and the central layer.

System Access

Entry to the accounting system is password restricted and managed by the Chief Finance Officer.

The Chief Finance Officer is also responsible for setting access levels for all members of staff using the system.

Back-up Procedures

Each academy must ensure that there are effective back up procedures for the system. The Finance system is backed up by The Access Group, IT files are backed up by Holker for all Academies currently within the Trust in line with GDPR requirements. The Academy trust handbook states trusts should ensure they have at least 3 copies of important data, stored on 2 different types of media, with 1 copy kept securely off-site, KLT has designated Holker to manage this on their behalf.

In conjunction with this policy a business continuity plan will be devised by each Academy to outline procedures in the event of loss of accounting facilities or financial data. This links with the annual assessment made by the Trust of the major risks to which each academy is exposed and the systems that have been put in place to mitigate those risks.

Transaction Processing

All transactions input to the accounting system must be authorised in accordance with the procedures specified in this manual. Detailed information on the operation of the Access Group system can be found in the user manual.

Reconciliations

The Accounting Officer and Chief Finance Officer are responsible for ensuring:

- Bank statements are reconciled in a timely manner preferably within 60 days of receipt. Any unusual or long outstanding reconciling items must be investigated and cleared as soon as possible;
- Monthly reconciliations and checks against payroll statements are carried out and any discrepancies investigated;
- Monthly monitoring and reconciliation of petty cash to check cash in hand is correct and a sample of claims checked for accuracy.

Financial planning

Each Academy within the Trust is required to develop both medium term and short-term financial plans.

The medium term financial plan should be prepared in conjunction with the School Improvement Plan process. The plan indicates how the academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

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

The planning process and the budgetary process are described in more detail below.

School Improvement Plan

The plan details the future aims and objectives of each Academy and how they are to be achieved; this includes matching the academy's objectives and targets to the resources expected to be available. They outline the "big picture" for each Academy.

The form and content of the development plan are matters for each academy to decide but due regard is given to the matters included within the guidance to Academies and any annual guidance issued by the DfE.

The Headteacher of each Academy in conjunction with the Accounting Officer must ensure that the Trust and the local governing body, is given relevant information throughout the academic year including:

- a review of past activities, aims and objectives;
- definition or redefinition of aims and objectives;
- development of the plan and associated budgets;
- implementation, monitoring and review of the plan;

Annual Budget

The Trust has the freedom to amalgamate a proportion of GAG funding for all its academies to form one central fund. The Trust must give individual consideration to the funding needs and allocations of its constituent academies and will have an appeals mechanism in place. The Headteacher of the constituent academy must appeal, in writing, to the Trust outlining the reasons for their appeal. This will be considered by the Trustees at a special meeting where the Headteacher/Chair of Governors will attend to discuss their concerns and a decision conveyed to the individual Academy along with reasons for its decision. If the Trust rejects the appeal, the constituent academy may then appeal to the Secretary of State, via DfE, whose decision will be final and binding on the Trust.

The central trust budget is currently funded by a top-slice from each academy within the Trust, this is currently 8% but can be subject to change during the year. This money will be used to fund the salaries of the Accounting Officer, Chief Operating Officer, Chief Finance Officer and any other centrally deployed staff, it also used for central costs such as governance, the finance system and the data management system. In addition, it may also be used as part of the Reserves Policy which Trustees will review annually. The top slice will be taken from the GAG and any pay related grants – but not any other ring fenced funding. Any changes in the central service will be approved by Trustees to meet the needs and priorities of the Trust

The Chief Finance Officer is responsible for working closely with the Accounting Officer, Chief Operating Officer and Headteachers in preparing and obtaining approval for the annual budget for each Academy within the Trust. The Chief Finance Officer will also prepare a Trust budget for approval by the FORA committee. The Trust must approve the budgets for each Academy and the Trust itself before submission to the DfE.

The approved budget must be submitted to the DfE by the notified deadline each year and the Chief Finance Officer alongside the Accounting Officer are 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 each academy for the forthcoming year and will detail how those resources are to be utilised. In order to ensure that there is a clear link between the school improvement plan objectives and the budgeted utilisation of resources there will be termly meetings between the Finance Officer and Headteacher of each Academy. This ensures that changes in priorities are included in future budget plans at the earliest opportunity. 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 each 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
- Review of the main expenditure headings in light of any specific school 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 are explored and expenditure headings are reviewed for areas where savings can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will 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. The Trust currently allocates the full DfE budget to each individual academy. If any budgets are projected to overspend by more than £50,000 the school must provide reasons for the overspend. All academies must prepare a balanced budget which can draw on unspent funds brought forward from previous years.

Finalising the Budget

Once the different options and scenarios have been considered, the Chief Finance Officer prepares a draft budget for approval by the FORA committee and the Accounting Officer. The budget is then communicated to all staff with responsibility for budgets so that everyone is aware of the overall budgetary constraints.

The budget is seen as a working document, which may need revising throughout the year as circumstances/priorities change.

Monitoring and Review

The Finance Officer will prepare half-termly reports for each Academy. The reports will detail actual income and expenditure against budget for the Accounting Officer and Headteachers. Reports are also prepared for budget holders (as required).

Reports detailing overall Trust position are also prepared for the Chair of Trustees on a monthly basis. The same reports are shared with all Trustees or the FORA Committee at least six times per year.

Any potential overspend against the budget must in the first instance be discussed with the Chief Finance Officer. Payments are not allowed to be made against an overspent budget without the approval of the Finance Officer.

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 in a specific area, it may be appropriate to vire money from another budget or from the contingency. All budget virements must be authorised by the Chief Finance Officer, Accounting Officer or Chief Operating Officer and must be within the parameters laid down in the Scheme Financial of Delegation (Appendix A)

4. Other Matters

Financial Deviance

The Keep Learning Trust protocol is for all academies to have the maximum level of autonomy in all aspects of its functioning. However, the Trust recognises that the areas of financial autonomy and standards autonomy are those of highest risk to the overall efficient and effective functioning of The Keep Learning Trust as a whole. Therefore, these are the areas that need to be addressed immediately in terms of effective monitoring and evaluation of each academy in order that accurate assessment of each academy's position in relation to these two areas is made, identification of any issues to be addressed is timely and accurate, and plans for remedial action are structured and likely to be successful.

Different academies will be more or less successful in managing their financial systems and procedures as well as in reacting to adversity caused by sudden changes and/or unexpected difficulties. It is the role of the Chief Finance Officer, the Accounting Officer and the Trust to identify what is happening, whether there are remediable issues or not, and what would most effectively improve upon them. Reductions in autonomy will be situation dependent and all reductions in autonomy will be detailed for the Headteacher, Local Governing Body and Trust Board, having its autonomy restricted along with detailed recommendations for actions necessary to facilitate improvement and to move the academy back to a higher level of autonomy. It will include timescales for the improvement, performance criteria for the improvement to be deemed successful and how the return to a higher level of autonomy would be affected.

Management Accounts

Management accounts shall be prepared monthly.

The monthly management accounts pack shall include:

- Income and expenditure account.
- Balance sheet.
- Cash flow forecast.
- Budget variance report.
- Significant variances explained.
- Key financial indicators where appropriate.

Management accounts shall:

- Be shared monthly with the Chair of Trustees.
- Be scrutinised by the FORA Committee.
- Be reviewed by Trustees at least six times each year.

Any material financial concerns shall be escalated immediately to the Accounting Officer and Chair of Trustees.

Leasing

The Trust shall comply with Academy Trust Handbook requirements regarding leasing arrangements.

Before entering into a lease, the Trust shall consider:

- Value for money.
- Affordability.
- Procurement compliance.
- Whole life cost.

The Trust must seek DfE approval where required.

Cyber Security

The Trust recognises cyber security as a significant operational and financial risk.
The Trust shall maintain:

- Multi-factor authentication where available.
- Secure password controls.
- Regular software patching.
- Cyber incident response procedures.
- Annual staff cyber awareness training.
- Secure off-site backups.
- Disaster recovery arrangements.

The Chief Operating Officer shall ensure periodic testing of backup and recovery procedures.

Business Continuity

The Trust shall maintain and annually review a Business Continuity Plan.

The plan shall include:

- Loss of premises.
- Loss of ICT services.
- Cyber incidents.
- Loss of financial systems.
- Pandemic or staffing disruption.
- Banking disruption.

Testing shall take place periodically and outcomes reported to Trustees.

Gifts and Hospitality

Trustees and employees must not accept gifts, hospitality or inducements that could:

- Influence decision making; or

- Create the perception of improper influence.

The Trust shall maintain a Gifts and Hospitality Register.

All offers over a value determined by Trustees shall be recorded

Related Party Transactions

The Trust shall ensure all related party transactions:

- Comply with Academy Trust Handbook requirements.
- Demonstrate value for money.
- Are conducted at no more than cost where required.
- Are fully documented.
- Are approved in advance through appropriate governance procedures.

Any Trustee, Member or employee with an interest in a transaction must:

- Declare the interest.
- Withdraw from consideration of the matter.
- Take no part in decision-making.

The Trust shall maintain a register of related party transactions

Risk Management

The Trust shall maintain a formal Risk Register covering strategic, operational, financial, compliance and cyber security risks.

The register shall:

- Be reviewed at least termly by the Finance, Operations, Risk and Audit (FORA) Committee.
- Be reviewed annually by the Board of Trustees.
- Identify controls and mitigating actions.
- Allocate ownership of risks to named officers.

The Accounting Officer and Chief Finance Officer shall ensure that emerging risks are escalated promptly to Trustees.

Whistleblowing

Each Academy within The Keep Learning Trust has access to the Trust Whistleblowing Policy. It is

published on the website of each Academy. All staff are made aware of the policy as part of their induction and to whom they can report their concerns.

Insurance

The Trust will take out insurance to comply with statutory requirements. The Trust will obtain the following insurance cover as a minimum:

- Buildings and contents
- Business continuity
- Employers and Public Liability

The Trust is currently a member of the DfE Risk Protection Arrangement.

All risks will be reviewed annually to ensure that the cover is adequate.

All contractors must have public liability insurance before they are allowed to undertake work on the any academy premises.

People hiring the Academy's premises and using facilities must produce valid public liability insurance with indemnity up to £5,000,000

Liabilities and Write-offs

The Trust may perform the following financial transactions up to the limits set out below: writing off debts and losses (including any uncollected fines); entering into guarantees, indemnities or letters of comfort (excluding those relating to borrowing by the Academy Trust). The limits are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction.
- cumulatively, 2.5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have not submitted timely, unqualified accounts for the previous two financial years. This category includes new trusts that have not had the opportunity to produce two years of audited accounts.
- cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous two financial years

In relation to these limits the Trust must ensure it follows the procedures relating to this area detailed in the Academies Trust Handbook 2026 (Section 5.19-5.22)

Beyond these limits the academy will seek and obtain explicit and prior approval from the Secretary of State (through the DfE) to the transaction.

Staff Severance Payments

From time to time the Academy may consider making staff severance payments above the contractual entitlement; the Academy must consider the following issues:

- Whether the Trustees reasonably consider the proposed payment to be in the interests of the Trust.
- Whether such a payment is justified, based on a legal assessment of the chances of the academy successfully defending the case at tribunal. If there is a significant prospect of losing the case then a settlement may be justified, especially if legal costs are likely to be high. Where a legal assessment suggests that the Trust is likely to be successful, then a settlement should not be offered.
- If the settlement is justified, the Trust would then need to consider the level of settlement. This must be less than the legal assessment of what the relevant body is likely to award in the circumstances.

Staff severance payments are not to be made where they could be seen as a reward for failure, such as dismissal for gross misconduct or poor performance. The only acceptable rationale in the former case would be where the claimant will win an Employment Tribunal claim because of employment law procedural errors. In the latter, an acceptable comparison would be the time and cost of taking someone through performance management and improvement procedures.

If the Trust considers making a compensation payment it must consider whether the proposed payment is based on a careful appraisal of the facts, including legal advice and that value for money will be achieved. The Trust also adopts good practice to consider routinely whether particular cases reveal concerns about the soundness of the control systems; and whether they have been respected as expected. The Academy also takes any necessary steps to put failings right.

Where the Trust is considering making a special staff severance payment or compensation payment above the contractual entitlement of £50,000 or more, or exits for top earners over £174,000, prior approval will need to be sought from the DfE, before any such payment can be made. Settlements must not be accepted unless they satisfy the conditions in the 2026 Handbook.

The Trust must ensure that the use of a confidentiality clause associated with staff severance payments do not prevent an individual's right to make disclosures in the public interest (Whistleblowing) under the Public Interest Disclosure Act 1998.

Borrowing

Any restrictions on an academy's power to borrow are set out in the Funding Agreement. Each Academy under the Trust must seek the DfE's prior approval for borrowing (including finance leases and overdraft facilities) and medium/longer term loans (including finance leases) from any source, where such borrowing is to be repaid from grant monies or secured on assets funded by grant monies and regardless of the interest rate chargeable. Purchasing cards, if used, must only be used for business (not personal) expenditure, and balances cleared before interest accrues (Appendix D)

Investigation of Fraud and Irregularity

The personal responsibilities of the Accounting Officer extend to the prevention of loss through fraud and irregularity. Academy Trusts must also be aware of the risk of fraud and irregularity occurring and, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls. The Keep Learning Trust must take appropriate action where fraud, theft and/or irregularity is suspected or identified.

The Trust will follow the guidelines laid down in the DfE Trust Handbook as to whether the fraud/irregularity requires notifying to the DfE.

The DfE will not tolerate fraud and reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any academy either as the result of a formal notification from the academy itself or as the result of other information received.

Any actual, suspected or attempted fraud shall be reported immediately to:

- The Accounting Officer.
- Chief Finance Officer.
- Chair of Trustees.

Investigations shall be documented and reported in accordance with current DfE requirements.

Lessons learned arising from investigations shall be incorporated into internal control procedures.

5. Payroll

The main elements of the payroll system are:

- Staff appointments
- Payroll administration
- Payments

Staff Appointments

The Headteacher of each Academy presents a staffing plan advising staff numbers (FTE) for each staff category (i.e. teachers, teaching assistants, administration, premises and lunchtime supervision) to the Chief Finance Officer/Chief Operating Officer as part of the approval for the first budget. Where the Headteacher of an Academy needs to make changes in year to this staffing plan, express approval must be obtained from the Chief Finance Officer who must ensure that adequate budgetary provision exists for any establishment changes.

The Accounting Officer has authority to appoint staff within the authorised staffing plan except for Headteacher, Deputy or Assistant Headteachers whose appointments must follow consultation with the Trustees. The appointment of the Accounting Officer, Chief Operating Officer, Director of School Improvement and the Chief Finance Officer is the responsibility of The Keep Learning Trust. Personnel files for all members of staff must be maintained and include contracts of employment.

All temporary contracts must be no longer than 12 months in length initially and must be reviewed in the term prior to their completion.

From 1st September 2018, all teaching staff employed within The Keep Learning Trust are paid on national scales as detailed in the STPCD. Further details can be found in the Teachers Pay Policy. Support staff shall be paid in accordance with nationally agreed NJC terms and conditions and current pay awards adopted by the Trust. Pay scales are reviewed on annual basis and the Trust continues to be in line with national pay scales

Payroll Administration

A third party administers payroll for the Academies within the Trust. The Service Contract is currently awarded to NEO People.

All staff are paid on the 22nd of each month. Records are held by the Payroll provider, with copies of this information held by the Academy;

- Salary;
- Bank account details;
- Taxation status;
- Personal details
- Any deductions or allowances payable

The payroll portal is continually updated with information such as sickness/leave of absence, new

appointments, resignations and contract amendments

The payroll administers make statutory payroll returns on the trusts behalf, such as HMRC and pension returns

Payments

After the payroll has been processed but before payments for each Academy are dispatched a report of salary payments by individual and showing the amount payable in total is forwarded by secure portal to the Chief Operating Officer.

All salary payments are made by BACS.

The Chief Finance Officer, reconciles the current month's salary payments to the budget once received from payroll provider.

6. Purchasing

Each academy must aim to achieve the best value for money from all purchases. Each Academy wants to get what they need in the correct quality, quantity and time at the best price possible. The majority of all academies purchases are paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:

- Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy;
- Accountability, the academy is publicly accountable for its expenditure and the conduct of its affairs;
- Fairness, that all those dealt with by the academy are dealt with on a fair and equitable basis.

New Suppliers

To ensure appropriate financial controls are maintained, all new suppliers must be approved before being added to the Trust's finance system.
Prior to a supplier being created, a New Supplier Request Form (Appendix E) must be completed and submitted to the Trust Finance Team together with appropriate supporting information, including supplier contact and bank details.
The Trust Finance Team will:

- Review the information provided;
- Verify supplier bank details before activation on the finance system;
- Check that the supplier is not already recorded on the finance system;
- Undertake any appropriate due diligence checks; and
- Allocate a supplier account code where approved.

No orders, invoices or payments may be processed for a new supplier until the supplier has been verified and created on the finance system by the Trust Finance Team.
Changes to an existing supplier's bank details must be notified to the Trust Finance Team and independently verified before any payments are made using the revised details.
The completed New Supplier Request Form and any supporting documentation must be retained electronically in accordance with the Trust's document retention procedures and be available for audit inspection.

Routine Purchasing

Budget holders will be informed of the budget available to them as soon as possible at the start of the academic year – the funding allocation to each subject area is decided by the Headteacher. It is the responsibility of the budget holder to manage the budget allocated and to ensure that the funds available are not overspent. If the CFO feels the budget is not being managed efficient, the executive team can make the decision to pass the managing of the budget to the CFO. A print detailing actual expenditure against budget will be supplied to each budget holder as requested and budget holders are encouraged to keep their own records of orders placed but not paid for.

Budget holders can order purchases up to the limit of their budget subject to the usual financial limits of the Trust. A price must always be obtained and entered on the requisition form before any order is placed. In the unlikely event that the order exceeds £10,000 then three quotations must be obtained and the evidence retained for audit, unless a preferred supplier is used. However, it is good practice to

obtain more than one quote on all expenditure where possible.

All orders must be processed in the finance system and authorized electronically by the budget holder/Chief Finance Officer/Chief Operating Officer.

The procedures and expectations for the ordering of goods and services are distributed to all staff at the start of each academic year and any non-order invoices must have clear reasoning provided for audit purposes. Where a cost center is for a specific project e.g. CIF projects, it is acceptable for non-order invoices to be raised against that cost center. Expenditure for staff who have been given permission to purchase resources themselves to be reimbursed by cheque/BACS will also be paid as non-order invoices. Invoices which have their own budget line such as utilities, phone bills, catering, photocopying charges/rental, trips, emergency premises maintenance/repairs, childcare vouchers and purchasing card will also be processed via non-order invoice. Further details regarding the purchasing card can be found in Appendix D.

Where a non-order invoice is received other than as detailed above, the individual responsible for ordering the goods will need to provide an explanation to be attached to the invoice.

On receipt of the goods there must be a detailed check against the goods received note (GRN) and a note made of any discrepancies between the goods delivered and the GRN. Discrepancies should 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 relevant Academy office should be notified and a central record kept of all goods returned to suppliers.

In order to ensure segregation of duties, there must be a **minimum** of three different individuals with relevant authority involved in the routine ordering process from processing of the order through to the signing of the cheque/authorizing BACS.

All invoices should be sent to the Academy Office. Invoices must be checked to ensure:

a) Invoice arithmetically correct;
b) Invoice posted to purchase ledger;
c) Goods/ services received;
d) Goods/services as ordered;
e) Prices correct;
f) Invoice authorised for payment;
g) Payment authorised;
h) VAT treated correctly

The relevant Academy staff will then input details of invoices onto the Access Group finance system. A cheque/BACS run is carried out at least monthly. The cheques and associated paperwork are then authorised by two of the nominated signatories and payments dispatched to the suppliers. The Scheme Financial of Delegation is in Appendix A.

It is essential that all of the following controls are adhered to:

- The use of 'Official Orders' through The Access Group accounting system automatically updates the financial records and enables committed expenditure to be included in management information for governors and trustees.

- Ideally orders are made electronically, but telephone orders are accepted provide all internal authorisation has been sought prior.
- Orders should only be approved in accordance with the authorised limits within the scheme Financial of delegation listed in this document
- Orders may only be used for goods and services provided to the Trust. Private individuals and other organisations may not use 'Official Orders' to obtain work, goods, materials and services including of VAT

Orders under £10,000 - One quotation. Budget holders and administrative staff are however encouraged to obtain further written quotations as appropriate to demonstrate value for money:

Best Value could be achieved by:

- supplier chosen from the list of approved suppliers on The Access Group Finance System
- bulk purchasing of common consumables
- negotiating discounts
- taking advantage of sale seasons
- obtaining alternative quotations wherever possible

Orders over £10,000 but less than £75,000 - at least three written quotations should be obtained for all orders between £10,000 and £75,000 to identify the best source of the goods/services. The Trust may also establish a list of approved suppliers. Written details of quotations obtained should be prepared and attached to the purchase order for audit purposes. Telephone quotes are acceptable if these are evidenced, before a purchase decision is made.

- The Procurement Act 2023 comes into force on February 24, 2025, and will increase transparency requirements for academies above certain thresholds.

Orders above £75,000 - all goods/services ordered with a value over £75,000, or for a series of contracts, which in total exceed £75,000 is subject to formal tendering procedures.

Orders over Procurement Act threshold - purchases Applicable Procurement Act thresholds as updated periodically by government, inclusive of VAT may fall under public contracts regulations rules. If the trust enters into such contracts it would seek professions advise for this process

A 'light touch regime', with a higher threshold of £663,540 (£552,950 exclusive of VAT) applies for some services that are specifically for education provision. We will seek specialist advice to determine if any procurement run by the Trust qualifies.

Approved Suppliers List

Each Academy may establish an approved suppliers list where a supplier has consistently provided a best value quote alongside other suppliers and has provided excellent service/quality. The supplier list should be reviewed periodically by the Chief Finance Officer and a supplier must undergo the usual

tendering procedures at least every two years to ensure best value principles are maintained. The approved suppliers list is consolidated across all Academies within the Trust.

Forms of Tenders

There are two forms of tender procedure: open and a competitive flexible procedure (CFP) and the circumstances in which each procedure should be used are described below. When entering into a tender the Procurement Act 2023 should be consulted.

Open Tender

This is where all potential suppliers are invited to tender, and is the most common tender. The budget holder must discuss and agree with the Finance Officer 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.

Competitive flexible procedure Tender

A competitive flexible tender is a procurement process that allows public sector buyers to design a tailored, multi-stage tendering procedure for a specific contract, replacing older, more rigid processes. This procedure gives buyers flexibility to design stages like negotiations, presentations, or site visits, while still adhering to key principles of fairness, transparency, and equal treatment for all suppliers.

Preparation for Tender

Full consideration is given to:

- Objective of project
- Overall requirements
- Technical skills required
- After sales service requirements
- Delivery time of goods/services
- Form of contract.

After all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfillment 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.

Aspects to Consider

The Procurement Act 2023 evaluation of tenders needs to follow the most advantageous tender (MAT), and the following aspect should be considered when doing this:

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

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 by post, secure email or any tender portal the trust is using. 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. Two persons should be present for the opening of tenders as follows:

- For contracts over £75,000 – Headteacher, Accounting Officer, Chief Operating Officer and the Chief Finance Officer

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. All people present at the tender opening must sign this record.

Tendering Procedures

The evaluation process should involve at least two people. Those involved should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

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. All parties should then be informed of the decision.

7. Income

The main sources of income for each academy are grants from the DfE and Local Authority funding for Early Years Provision and additional SEN High Needs. The receipts of these sums are monitored directly by the Chief Finance Officer who is responsible for ensuring that all grants due to the academy are collected.

Each academy may also obtain income from:

- School meals income
- Sale of healthy snacks
- Sale of uniform
- Sale of resources
- Student placements
- Before/After school provision
- Nursery top-up
- Lettings

Cash handling procedures are detailed in Appendix B.

Educational Visits

The Keep Learning Trust does not expect parental contributions for educational visits. However where trips are all or partially recreational parental contributions will be invited.

8. Cash Management Bank Accounts

The opening and closing of all bank accounts is authorised by the Trustees.

Deposits

Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or detailed in supporting documentation.

Payments and withdrawals

All cheques and other instruments authorising withdrawal from any Academy bank accounts must bear the signatures of two authorised signatories as detailed in the Scheme Financial of Delegation (Appendix A). Cash up to the value of £250 can be withdrawn by the Chief Finance Officer on their purchasing card, and signed as received by the office staff.

This provision applies to all accounts, public or private, operated by or on behalf of the Trust for each Academy. Clear separation of duties must apply to all payments and withdrawals.

Direct Debits may only be established by authorised central Trust signatories in accordance with the Scheme of Financial Delegation. All Direct Debit arrangements are managed and monitored centrally by the Trust Finance Team and reviewed regularly to ensure payments remain valid, necessary and correctly authorised.

Administration

The Chief Finance Officer must ensure bank statements are received regularly and that reconciliations are performed regularly and promptly – preferably within 60 working days. Where this is not possible, an explanation must be attached to the relevant statement. Reconciliation procedures must ensure that:

- All bank accounts are reconciled to the academy's finance system;
- Reconciliations are performed by financial staff;
- Reconciliations are reviewed and authorised by the Chief Finance Officer/Chief Operating Officer/Chief Executive Officer
- Unreconciled transactions arising are dealt with promptly.

Petty Cash Accounts

Each Academy maintains a maximum cash balance of £500. The petty cash system is administered by each Academy office and the cash is kept in the office safe. See Cash Handling in Appendix B.

Cashflow Forecasts

The chief Finance Officer is responsible for preparing cash flow forecasts to ensure that each academy has sufficient funds available to pay for day-to-day operations. These will be monitored by the Accounting Officer and submitted to the Chair of Trustees on a monthly basis. If significant balances can be foreseen, steps may be taken to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to cover potential cash shortages.

Investments

Investments must be made only in accordance with the Trust's Investment Policy.

9. Fixed Asset register

Expenditure Eligible for Capitalisation

Authorised and approved expenditure for an item which meets the definition of a fixed asset, and exceeds £2,000, should be identified and flagged as a fixed asset. The cost of the fixed asset should include the cost of the asset and any other costs directly attributable in bringing the asset into a condition where academy employees can use it. Such costs include, but should not be limited to:

- Costs of enhancements (not repairs and renewals), which significantly extend the life of the asset and would not be carried out on a regular basis (e.g. building improvements)
- Costs of external consultants whose work is directly attributable to the implementation of the asset

The assets should be categorised in one of the following areas:

- Leasehold land:
- Leasehold buildings:
- Furniture & equipment:
- Computer equipment & software:
- Motor vehicles:

Expenditure Not Eligible for Capitalisation

- Individual items costing less than £2,000, unless purchased in bulk as part of a capital project
- Costs of staff training as part of normal business activities
- Administration and general overheads for running day to day activities
- Planning costs relating to initial activities such as option appraisals, feasibility studies, identifying appropriate hardware and applications and selecting suppliers and consultants
- Cost of abortive work
- Post implementation support and maintenance costs related to software installation

All items purchased with a value over the academy's capitalisation limit must be entered in an asset register. The current capitalisation limit is £2,000 per item.

For assets over £2,000, the register must contain details of the date of purchase, the value, the serial number and the 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

In addition, lesser value items which are considered valuable e.g. IT equipment can also be included in the asset register. The finance/administrative staff should ensure that these are added as appropriate.

Depreciation

Depreciation is charged against fixed assets over the expected useful life of the asset to reflect the usage of the asset over time.

The Trust uses the straight line method of depreciation where the asset cost is written down in equal annual amounts over its expected useful life.

The period over which the asset is depreciated varies according to the category of the asset.

All tangible fixed assets, other than assets in progress must be depreciated as follows:

- Leasehold land: 0%
- Leasehold buildings: Over 50 years
- Furniture & equipment: 10%
- Computer equipment & software: 33.3%
- Motor vehicles: 20%

Depreciation will be charged from the month in which a newly purchased asset comes into use.

Depreciation ceases to be charged in the month the asset is disposed.

Security of assets

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 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

All disposals of fixed assets with an original value exceeding £1,000 must receive prior approval in accordance with the Scheme of Delegation. A summary of disposals shall be reported periodically to the FORA Committee.

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 licenses for software program 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.

Loan of Assets

Items of property from any academy must not be removed from the academy premises without the authority of the Accounting Officer/Headteacher. A record of the loan must be made and be booked back into 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 – SCHEME OF FINANCIAL DELEGATION

This scheme of financial delegation applies to all individual Academies within The Keep Learning Trust. The Trust is committed to clarity around segregation of duties and transparency around financial procedures.

Powers and Duties Reserved for The Keep Learning Trust

At each Academy within the Trust, trustees shall be responsible for:

General

- Approval of a written scheme of financial delegation of its financial powers and duties to the FORA Risk Committee, the Headteacher's and other staff. The scheme must satisfy the Trust's ultimate responsibility for ensuring that there are adequate operational controls in place for all the financial processes within each Academy. The Scheme of Financial Delegation should be operated in conjunction with the Financial Regulations of the Trust.

Budgets/Budgetary Control

- Formally approving each annual Academy budget prior to the start of each financial year.

- Considering budgetary control reports from the Chief Finance Officer at every meeting, with relevant explanations and documentation where required.

- Authorisation of reason for all changes to the forecast deficit in excess of £50,000 at each Academy. Details of all changes to the forecast surplus/deficit approved and authorised by the FORA Committee are to be formally notified to the Trust.

Insurances

- Ensuring that arrangements for insurance cover are in place and adequate.

Purchasing

- Maintenance and publication on the Academy websites of a Register of Business Interests for all Trust members, Governors and those Academy staff with financial responsibilities in line with the requirements laid down in the Academies Trust Handbook 2026.

Income

- Authorisation of the write off of debts not collectable over £1000

Accounts and Audit

- Appoint external auditors.
- Review the draft financial statements prior to audit and approval of the audited financial statements prior to submission to the DfE by 31 December.
- Receive the reports of the external auditor.
- Receive the reports of internal scrutineer on the use of resources, systems of internal financial control, and discharge of financial responsibilities.
- Inform the DfE if it suspects any irregularity affecting resources.

Personnel

- The appointment of the Accounting Officer, Chief Operating Officer, Director of School Improvement Headteachers and Chief Finance Officer.
- Annual performance management of the Accounting Officer in conjunction with an external adviser.
- The Accounting Officer Performance review group may make a decision to suspend the Accounting Officer after taking appropriate HR advice.
- The whole Trust must be consulted prior to any possibility of the dismissal of the Accounting Officer.

Powers and Duties Delegated to the FORA Committee

The FORA committee shall be responsible for:

General

- Exercising the powers and duties of the Trust in respect of the financial administration of the Academy, except for those items specifically reserved for the Trust and those delegated to the Headteacher and other staff.

Budgets/Budgetary Control-

- Reviewing the annual Academy budget prior to the start of each financial year and recommending its acceptance, or otherwise to the Trust board. –
- Authorisation of all changes to the forecast surplus. Details of all changes to the forecast surplus/deficit approved and authorised by the FORA Committee are to be formally notified to the Trust.

Purchasing

- Authorising the award of orders and contracts over £50,000.

Security of Assets

- Ensuring that there are annual independent checks of assets and the asset register.
- Authorising the disposal of individual items of equipment and materials that have become surplus to requirements, unusable or obsolete as per the Keep Learning Trust Write Off/Asset Disposal Policy

Accounts and Audit

- To review the reports of internal scrutineer on the effectiveness of the financial procedures and control.

Financial Powers and Duties Delegated to the Headteacher

The Headteacher has delegated powers and functions in respect of internal organisation, management and control of the Academy, the implementation of all policies approved by the Trust and for the direction of teaching and the curriculum.

The Headteacher shall be responsible for:

Budgetary control

- Reviewing income and expenditure reports and highlighting actual or potential overspending to the Chief Finance Officer. If a potential deficit in excess of £50,000 is envisaged, this must be reported to the Trust for approval with clear reasoning provided.
- Approving virements between budget headings, with the Chief Finance Officer which have no effect on the forecast budget surplus/deficit.
- In the case of additional funding, the Headteacher and Chief Finance Officer may increase income and expenditure estimates to match the funding available.

Financial Management

- Ensuring the arrangements for collection of income, ordering of goods and services, payments and security of assets are in accordance with the Financial Regulations.

Purchasing

- Authorising Orders up to £5000
- Authorising orders and contracts between £5,000 and £25,000 in conjunction with the Chief Finance Officer.
- Authorising orders and contracts between £25,000 and £50,000 in conjunction with the Accounting Officer or Chief Operating Officer.
- Ensuring that all contracts and agreements conform to the Financial Regulations.

Payroll and Personnel

- Approving new staff appointments within the authorised staffing structure.
- Checking the payment of salaries each month, in conjunction with the Chief Operating Officer.

Security of Assets

- Ensuring that proper security is maintained at all times for all buildings, furniture, equipment, vehicles, stocks, stores, cash, information and records etc. under his/her control.

Accounts and Audit

- The operation of financial processes within the Academy, ensuring that adequate operational controls are in place and that the principles of internal control are maintained.
- Ensuring that full, accurate and up to date records are maintained in order to provide financial and statistical information.
- Ensuring that all records and documents are available for audit by the appointed external auditors, internal audit and peer review.

Financial Powers and Duties Delegated to the Chief Finance Officer

The Chief Finance Officer shall be responsible for:

Budgets/Budgetary Control

- Assisting all academies within the Trust with the preparation of an annual draft budget plan for each academy for consideration by the FORA Committee Body and Trust board before the start of the relevant financial year and within DfE time limits.
- Regular monitoring of expenditure and income against the approved budget and submitting reports on the Trust's financial position to every meeting of the Trustees, totalling six times per year. Any actual or potential overspending shall be reported to the FORA/Trust Board.
- Approving virements between budget headings which have no effect on the forecast budget surplus/deficit.

Purchasing

- Authorising orders and contracts up to £25,000 in conjunction with the Headteacher.
- Ensuring that all correct invoices are duly certified by authorised staff before payments are made and that invoices, vouchers and other records are retained and stored in a secure way and are readily available for inspection by authorised persons.
- Ensuring the appropriate division of duties between staff responsible for processing orders, receiving deliveries and processing payments.

Payroll and Personnel

- Ensuring that the monthly payroll actual vs budget is checked by an appropriate member of staff at all academies. Ensuring any discrepancies are brought to the immediate attention of the payroll provider and that the monthly payroll printout is annotated accordingly.

Income

- Ensuring that all income is accurately accounted for and is promptly collected and banked intact.

Banking Arrangements

- Maintaining proper records of account and reviewing monthly bank reconciliations.

Financial Powers and Duties Delegated to Other Staff

Members of staff with delegated responsibilities should be aware that these must be exercised in accordance with the Keep Learning Trust Financial Regulations.

The following responsibilities are delegated to other staff in addition to the Headteacher and the Chief Finance Officer.

Budgets/Budgetary Control

- Subject leaders appointed as Budget Holders are responsible for checking and certifying monthly statements of expenditure against their delegated budget and for reporting any errors or irregularities to the Chief Finance Officer. Any actual or potential overspending shall also be reported to the Chief Finance Officer.

Security of Assets

- The Chief Operating Officer ensures a permanent and continuous register of all items of furniture, equipment, vehicles and plant is maintained.

Information and Communication Systems

- The Chief Operating Officer maintains the standards of control for such systems in operation within the Academy to include the use of properly licensed software, and for the security and privacy of data in accordance with the Data Protection Act.

The following members of staff are authorised to receive and check goods:

- Budget Holders
- Administrators nominated by the Budget Holder (usually Teaching Assistants)
- Finance/administrative staff

Purchasing

- The Chief Operating Officer maintains a register of formal contracts entered into, amounts paid and certificates of completion.
- The Chief Operating officer retains quotes obtained for goods, works and services.

Payroll

- The Chief Operating Officer manages the payroll process and deals with the payroll provider

Summary of Financial Authorisation Levels

Delegated Duty	Value	Delegated Authority	Method
Ordering Goods and Services **(signing and authorising requisitions/purchase orders/BACS)**	Up to £10,000	Headteacher/Chief Finance Officer/ Accounting Officer/Chief Operating Officer/chair of trustees	One quotation (more should be sought where possible to demonstrate best value principles)
	Up to £25,000	Chief Finance Officer/ Accounting Officer/Chief Operating Officer/chair of trustees	Three quotations/approved supplier for orders over £10,000
	£25,000 - £50,000	Accounting Officer/Chief Operating Officer/ chair of trustees	Three quotations/approved supplier for orders over £10,000
	£50,001 – Public Procurement Threshold	Trustees	Formal tendering process,
	Authority to accept other than lowest tender	Trustees	
	Authorising BACS	Two signatories from: - Accounting Officer - Chief Operating Officer - Chief Finance Officer -Nominated SLT at school level	
Signatories for DfE grant claims and DfE returns	Any	Two signatories (or as required by DfE) from: - Accounting Officer - Headteacher - Chief Finance Officer	

Virement of budget provision between budget heads	up to £10,000 or with **no impact** on overall budget	Chief Finance Officer	
	Up to £50,000 with **impact** on overall budget	As above plus FORA Committee	
	Over £50,000 with **impact** on overall budget	Trustees	
Disposal of assets/write off bad debt	Up to £1000	Accounting Officer/Chief Finance Officer	
	Over £1000	FORA Committee	
Purchase or sale of any freehold property	Any	DfE approval required	
Granting or take up of any leasehold or tenancy agreement exceeding three years	Any	DfE approval required	
Raising invoices to collect income	O -£10,000	Administration/Finance staff	
	£10,001 to £25,000	As above plus Headteacher/ Chief Finance Officer	
	£25,001 to £100,000	FORA Committee	
	Over £100,000	Trustees	

Segregation of Duties

Segregation of Duties is essential. Wherever practicable a minimum of three separate individuals should participate in ordering, receiving and payment authorisation

Delegated Duty	Value	Position Held
Raising Requisitions on The Access Group	Any	Any member of staff
Raising Orders on The Access Group	Any	Administrator/Chief Finance Officer
Processing Invoices on The Access Group	Any	Administrator/ Chief Finance Officer
Authorising Cheques/BACS	Any, BACS has £80,000 limit	Accounting Officer Chief Operating Officer Chief Finance Officer Nominated member of SLT school staff
Authorising/Certifying Invoices	Any	Accounting Officer Chief Operating Officer Chief Finance Officer Chair of Trustees
Cash Withdrawal for Petty Cash	Up to £500	Any two bank signatories Or Chief Finance Officer using purchasing card up to £250

APPENDIX B – CASH HANDLING (INTERNAL CONTROLS)

- Cash payments are to be discouraged and the use of our online payment system is to be encouraged
- Miscellaneous income to be entered immediately into the appropriate cashbook.
- Two members of staff reconcile the amount of cash/cheques against the cash book and complete reconciliation.
- Cash/Cheques to be stored securely in safe ready for banking.
- Two members of staff to reconcile and prepare the money for banking.
- Before/After school club money and uniform money to be reconciled at least weekly.
- Complete the paying in slip
- Place the money in cash collection cash bag, seal it and record reference number on reverse of paying in slip.
- Income to be entered onto Finance system.
- Cash to be banked within 20 working days of receiving.

Academy Procedures for Petty Cash

- Each Academy maintains a maximum cash balance of £500. The petty cash system is administered by each Academy Office. Petty cash is held in a locking cash box and kept in the locked office safe overnight.

- All receipts for Petty Cash are to be authorised by the Headteacher/Accounting Officer (or Chief Finance Officer/Chief Operating Officer/Deputy/Assistant Head in absence of Headteacher) using the Academy's Petty Cash form. Prior approval for the expenditure MUST have been sought from the Headteacher/Chief Finance Officer prior to purchase.

- Petty cash payments will be limited to £50 unless in exceptional circumstances which must be documented and signed by the Headteacher/Accounting Officer. Higher value payments should be paid as a non-order invoice by BACS directly from the main bank account.

- Petty cash receipts are to be processed through the Finance system.

- The recipient must sign for receipt of the cash using the Academy's Petty Cash form.

- Petty cash is to be reconciled monthly to check Cash in Hand is accurate. Two signatories to sign and confirm that Cash in Hand reconciles with Cash In Hand figure on the finance system. Any discrepancies must be reported to the Chief Finance Officer immediately.

- Cash for reimbursement of the petty cash float will be by cheque or cash from the trust purchasing card. A receipt for the cash must be kept on file for audit purposes. Authorised persons are detailed in the Scheme of Financial Delegation (Appendix A).

- The Chief Finance Officer will monitor the petty cash system to ensure that it is being used appropriately. Records of checks carried out will be retained for audit purposes.

APPENDIX C – WRITE OFF/ASSET DISPOSAL POLICY & PROCEDURES

This policy relates to all academies within The Keep Learning Trust

PROCEDURES

1. Items for write off/disposal should be listed on the write off/disposal authorisation form, detailing model and serial number, a brief description of the item, and the reason for write off/disposal.

2. The form should be signed and dated by the member of staff requesting write off/disposal, and then passed to the Headteacher for authorisation. The Headteacher should be satisfied that the items are to be written off/disposed of and should then enter on the form the method of disposal (e.g. scrapped, sold/offered via the weekly newsletter, sold by tender (if usable computers for example)).

3. When authorised, the form should be returned to the admin office for filing with the inventory. The inventory and the insurance should be updated accordingly, and the items disposed of as authorised.

4. The Headteacher should then inform FORA committee of the items written off/disposed of and this should be recorded in the minutes of the Governor's meeting, stating that Governors have ratified the decision. Details of the items should also be minuted. A copy of the authorised write off/disposal form attached to the minutes should suffice for this purpose.

Appendix D – Purchasing Card Policy and Procedures

This policy statement applies to all Keep Learning Trust employees authorised to use a credit card within its schools to enable the school to purchase goods where the company being used **provides the best value but either an invoice cannot be raised or a credit account cannot be set up.**

1. Credit Card Issue

1.1. A card will be issued to each member of staff as determined by needs of each school and agreed by the Chief Financial Officer (CFO). The card will be personal to the individual and can only be used by the named cardholder. There is no charge to the Trust or the individual for the provision of a card.

1.2. The CFO will determine the number of cards available to each school.

1.3. Each cardholder must sign an agreement to be countersigned by the CFO which states they understand the terms and conditions of use. A copy of each credit card agreement/indemnity should be kept on file for information. (See appendix 1). Please note if the agreement concerns a CFO it should also be countersigned by another member of the Executive Team.

1.4. Any member of staff who is found to be misusing their card in any way will have the card removed and disciplinary action taken.

1.5. A security PIN will be issued to each cardholder and under no circumstances should this be given to anybody else. Cardholders should never change their PIN to anything obvious (e.g. significant dates) or simple sequence (e.g. 1234)

1.6. Any cardholder who terminates their employment with the school, changes post, is no longer eligible to be a card holder or is requested to return the card, must surrender the card to the CFO as soon as possible. The Trust will take all necessary actions to achieve this.

1.7. Please note any charges incurred arising as a result of a card being misused will be charged to the schools delegated budget, and disciplinary action may be taken.

2. Limits

2.1. The expenditure limits are as defined by the CFO and subject to review at appropriate times. The current limits are detailed below.

Cardholder	Transaction Limit	Monthly Limit
	£	£
Headteacher/Central team SLT	3,000	3,000
Administrator	3,000	3,000
Caretaker/Teacher	1000	1000

3. Use of the Credit Card

3.1. The credit card may be used to purchase any goods or services relating to Local Management of Schools Delegated Budget activities only i.e. not unofficial school fund activities. The credit card may be used for following types of purchases: -

Online ordering (only use secure sites i.e. Amazon)

Telephone ordering

Face to Face transactions

All the above are subject to all the appropriate assessment and adherence to the terms and condition regarding usage of cards.

3.2. Card holders are not allowed to use the cards to purchase goods or services that fall into any of the following pre-determined merchant categories of expenditure

a) Personal Services
b) Contractual Freight & Storage arrangements
c) Any purchase by auction
d) Financial Services
e) Miscellaneous commercial supplies
f) Restaurants and bars, unless required for subsistence when working overnight for the trust

3.3. No personal purchases are to be made on the card.

3.4. Cash withdrawals (except the CFO card-for petty cash top ups only) are not permitted.

4. Security

4.1. Each card holder will be responsible for the security of their own card at all times.

4.2. Employees cards must be kept in the safe at all times unless in use.

4.3. Cards taken off site for purchases must be signed out and signed back in on the employees return.

4.4. Suspected fraudulent use of the card is to be reported to CFO immediately. The CFO for The Keep Learning Trust is Kelly Heathcote.
Contact details are:- Kelly.heathcote@bc-et.co.uk|Tel: 07921579609

4.5. Lost and Stolen Cards:

If a card is lost or stolen the cardholder should immediately notify the bank of the theft to enable cancellation of the card.

Lloyds Bank 08082021390

- The cardholder should also report a suspected theft to the police immediately and to the CFO.
- If a lost card is subsequently found it must not be used under any circumstances. Its recovery should be notified, and the card forwarded to the CFO immediately for disposal.
- In the case if a lost or stolen card the CFO will be responsible for arranging a replacement card

5. Procedure for Purchasing Goods

5.1. The schools ordering procedures must be followed as detailed in the Trust financial regulations.

5.2. Supporting documentation must be provided for all purchases e.g. screen printout. For telephone purchases the details should be recorded in an appropriate manner determined by the Trust Financial Regulations.

5.3. Card holders should ensure details of authorisations of transactions are maintained.

5.4. Card holders should note that some organisations may charge a small handling fee for using the card as payment.

5.5. When purchasing on-line some providers will ask you to provide the cardholder's address; this is your schools address. Under no circumstances should you have items being delivered to your home address. Any invoices, delivery notes containing an employee's address will be in breach of the agreement of use and disciplinary action may be taken.

6. Record Keeping, Payment of the Bill & Reconciliation

6.1. The Trust is responsible for ensuring that appropriate systems are in place to accurately record and monitor all expenditure incurred on the card(s). Where possible, schools should ensure that there is a segregation of duties between the cardholder incurring expenditure and the officer reconciling and authorising the monthly statement. If not possible a third party should review the statement at the earliest opportunity and indicate compliance.

It is highly recommended for each individual cardholder to maintain a manual/on-going (on Access) logging record of all transactions

Each individual record should be uploaded to the finance system with the receipt attached, this will be reviewed by the Chief Finance Offcier

6.2. The School shall maintain a summary record of credit card holders including limits (See appendix 6) to be reviewed on at least an annual basis.

6.3. A monthly statement is generated. It is the responsibility of the CFO to ensure that this is reconciled on a monthly basis.

6.4. Further to the statement, as per 6.3 above, the CFO will also have access to all individual transaction details via the banking system and statements.

6.5. Schools are required to record on the finance on a monthly basis to authorise and code all transactions.

6.6. Schools are required for audit purposes when updating the accounting system to include a description as to what the transaction was for.

6.7. The school must ensure that expenditure incurred via the card(s) is accurately recorded and reflected within the Access group as per the information provided from the Trust financial handbook.

6.8. The CFO should make all arrangements to correctly account for VAT on credit card purchases.

7. General

7.1. The card(s) will remain the property of The Keep Learning Trust at all times. The Trust reserves the right to cancel any card, refuse permission to distribute to any requested cardholder and demand return of any card, at any time.

7.2. The provision of credit cards in our schools will remove the need for any employee to use their personal debit/credit cards to make purchases on behalf of the individual schools.

7.3. Should any of our schools wish to request a review of the current limits of a cardholder, all such requests must be made in writing and submitted to the CFO.

7.4. The Keep Learning Trust Trust is required to formally minute an agreement to approve the issue of the card(s), to accept responsibility of its use and to accept all the preceding terms and conditions.

7.5. The above procedures are to also be formally incorporated into the Trust Financial Regulations.

7.6. Any issues, items or queries not covered by the above, shall be dealt with by the CFO as appropriate.

Appendix 1

The Keep Leanring Trust Credit Card Issue & Returned/Destroyed Document.

Please make sure you have read and understood the terms and conditions and the responsibility of being a card holder within our Trust.

Usage of credit cards will be subject to spot checks by the CFO. Unauthorised use of credit cards will be subject to investigation and may result in potential reclaim from the card user, withdrawal of card and/or disciplinary action.

Issue Date……..
Name of Card Holder……..
I have read and understood the credit card policy and procedures and confirm that I will adhere to these in my use of the card provided by The Keep Learning Trust. Signature…….. Credit Card number…… CFO Signature…….

Returning the Credit Card on leaving employment at The Keep Learning Trust

Name of Card Holder……..
Credit Card Number returned……
I confirm that my last day of employment is…… and my credit card has been returned to the CFO. Signature of Card Holder……..

I confirm that the credit card has been returned to the CFO and has been destroyed. Date of destruction…… Signature of CFO……..

Appendix 2

Removing the card from the premises.

This form will be monitored monthly by the CFO or AO

Name of Card Holder	Date & Time	Returned Date & Time	Reason for taking of site

Date of Check…….

signature……..

Appendix E- New Supplier Request Form

Supplier Information

Supplier Name: _____

Address: _____

Postcode: _____

Contact Name: _____

Telephone: _____

Email: _____

Company Registration No. (if applicable): _____
VAT Registration No. (if applicable): _____

Goods / Services

Description of Goods/Services to be Provided:

Estimated Annual Spend: £ _____
School: _____

Bank Details

Account Name: _____
Sort Code: _____
Account Number: _____

Declaration

☐ I confirm this supplier is required for Trust business purposes.
☐ I confirm I have no known conflict of interest with this supplier.
☐ Supplier bank details have been provided and attached.

Requested By

Name: _____
Position: _____

Finance Team Use Only

☐ Supplier not already on finance system
☐ Bank details verified
☐ Conflict of interest check completed
☐ Supplier created on finance system

Supplier Code: _____
Checked By: _____
Date Added: _____