



# Great Sankey High School

## Financial Regulations

**To be read in conjunction with the Schools Financial Procedures and the Academies Financial Handbook published by the Education Funding Agency.**

Policy Renewal Date:	31/05/17
Policy Approved Date:	15/12/16
Approved by	Governing Body
Signature	

# Great Sankey High School

## Financial Regulations

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# Financial Regulations

## 1. Background

### Constitution

The Academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Great Sankey High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Great Sankey High School.

The financial memorandum between the Education Funding Agency (EFA) and the Academy imposes restrictions on the School. Where these apply they are referred to in the regulations.

The School has articles and instruments of government to which these financial regulations are subordinate.

## 2. Status of the Financial Regulations

All employees of the School are required to comply with these regulations. A member of staff who fails to comply with the financial regulations may be subject to the School disciplinary procedure.

The Finance and Resources Committee is responsible for reviewing the financial regulations at least once every two years and advising the Governing Body of any changes necessary.

In exceptional circumstances, the Finance and Resources Committee may authorise a departure from the detailed provisions herein, such a departure to be reported to the Governing Body at the earliest opportunity.

The School has a detailed set of financial procedures, which state precisely how the regulations will be implemented and are contained as an appendix to these regulations.

## 3. Financial Responsibilities

### The Governing Body.

The responsibilities of the Governing Body are set out in the School's articles of government. Its financial responsibilities are set out in Appendix A:

### Finance and Resources Committee

The Finance and Resources Committee is responsible for monitoring the financial position of the School and its financial control systems. It reviews the annual budget and the annual report and financial statements in detail and recommends their approval to the full Governing Body. The committee will also ensure that the Governing Body has adequate financial information to enable it to discharge its financial responsibilities.

A full list of the responsibilities of the Finance and Resources Committee are shown in Appendix B.

### **Audit Committee**

The Audit Committee is independent, advisory and reports to the Governing Body. It has the right of access to obtain all the information it considers necessary to fulfil its duties. The Audit Committee considers the reports from both internal and external auditors and reports their findings to the Governing Body.

A full list of responsibilities for the Audit Committee is shown in Appendix C.

### **The Executive Headteacher**

The Executive Headteacher is the School's Designated Accounting Officer and is responsible for the financial administration of the School's affairs. As the designated officer the Executive Headteacher may be required to attend or report to the Public Accounts Committee on matters of financial management.

The Executive Headteacher is responsible for advising the Governing Body in writing if any action or policy under consideration by them is incompatible with the terms of this memorandum or would infringe the requirements of propriety or regularity. The Executive Headteacher is also responsible for advising the Governing Body in writing if the Governing Body appears to be failing to act where required to do so by this memorandum or where required to meet the requirements of propriety or regularity. The report should include a reference to the Executive Headteacher's duty to report to EFA should the Governing Body seek to over-rule his or her advice. Where the Governing Body determines to proceed despite the advice of the Executive Headteacher, the Executive Headteacher should consider the reasons the Governing Body have given for their decision. If after considering the reasons given by the Governing Body the Executive Headteacher still considers that they could not defend such a policy or action then they should advise the chief officer of the EFA in writing of the situation at their School. The EFA would not consider the provision of such a written report to the Governing Body or the notification of the EFA as grounds to take disciplinary action or suspend an Executive Headteacher.

### **The Director of Finance**

The Director of Finance has senior management responsibility for the management and development of Finance, Premises, Human Resources, Information Technology, and Catering services. The Director of Finance has responsibility for:

- Managing financial resources across the School.
- Drawing up and implementing contracts and overseeing the School's procedures for tendering.

The Director of Finance is the line manager of the School's Finance Department. The Director of Finance is responsible for:

- the preparation of annual capital and revenue budgets and financial plans
- preparing accounts, management information, monitoring and control of expenditure against budgets
- preparation of the annual accounts and other financial statements and accounts which the School is required to submit to other authorities
- ensuring that the School maintains satisfactory financial systems
- day to day operational procedures within the finance office to ensure smooth running of said office.

Day to day financial administration is controlled by the School's Finance Manager.

### **Budget Holders**

The budget holders will be advised by the Director of Finance and must comply with written guidelines issued to them on the control of their budgets. Each budget holder has the responsibility to keep within the budget level of expenditure to achieve budgeted level of income with the budget provisions approved by the Governing Body.

#### **4. Audit**

The Governing Body will ensure that arrangements for the setting up of an audit committee meet the criteria set out by the Education Funding Agency (EFA).

The Governing Body and staff of the School will make available to all those involved in the audit process whatever information, explanations and access to official documents and records that it is required to enable them to fulfil their responsibilities.

Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other property of the School or any other suspected irregularity in the exercise of the activities of the School, the head of department, or budget holder, concerned shall notify the Director of Finance who will take such steps as he/she considers necessary by way of investigation and involvement of internal audit. The full procedure is set out in the School's Anti-Fraud Policy. .

The Director of Finance is responsible for drawing up a timetable for the preparation of the final accounts in liaison with staff and financial statements auditors. This is included within the financial procedures.

The Finance and Resources Committee and or the Audit Committee should consider the final statutory accounts before being recommended to the Governing Body for final approval. This can also be achieved through a one joint meeting of these two committees.

##### **External Audit**

The appointment of the financial statements auditors shall be for a period of five **years** but is reviewed on an annual basis. It is the responsibility of the Governing Body, advised by the audit committee.

The primary role of the School's Financial Statement Auditor is to report on the School's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the joint audit code of practice and the Accounting Practices Board's auditing standards.

##### **Internal Audit**

The internal auditor is appointed by the Governing Body on the recommendation of the Audit Committee. The Governing body may also appoint on the recommendation of the Audit Committee a funding controls auditor. This auditor may be the same auditor as the internal auditor or a different auditor.

The main responsibility of internal audit is to provide the Governing Body, the Executive Headteacher and senior leadership with assurances on the adequacy of the internal control system.

The internal audit must be independent in its planning and operation and has direct access to the Governing Body, Executive Headteacher and the Chair of Audit Committee.

The terms of reference for internal audit are detailed in Appendix E.

## **Other Auditors**

The School may be subject from time to time to audit investigation by external bodies such as the EFA, National Audit Office, HM Customs & Excise and the Inland Revenue. They have the same rights of access as external and internal auditors.

## **5. Financial Controls**

### **Preparation of Budgets**

Forecasts of income and expenditure will be prepared for each accounting period covering both revenue and capital. These forecasts will be linked to the School's strategic plan and improvement plan.

The format of the reports will be consistent with the income and expenditure categorisation of the annual accounts as prescribed by the EFA. They will include forecasts of income and expenditure for the forthcoming accounting period together with a forecast for the current accounting year.

The Director of Finance is responsible for preparing the annual estimate of income and expenditure. The timetable for the preparation of the budget is included in the financial procedures. A draft budget will be reviewed by the Finance and Resources Committee in time to ensure the final budget is approved by the Governing Body. The budget will, ordinarily, be finalised and approved by the Governing Body in July.

### **Variations to the Budget**

The Executive Headteacher alone may authorise virements within the main budget headings of estimates.

### **Budgetary Control**

The Finance Manager, in conjunction with the Director of Finance, is responsible for the production of management accounts, which will be produced within 10 working days of the end of each month. Also, reports to budget holders will be produced monthly and be distributed to budget holders within 10 working days of the end of each month.

Financial reports of income and expenditure with a balance sheet and cashflow forecast will be presented to the Finance and Resources Committee on a quarterly basis or as Committee meetings dictate.

Every budget holder has the responsibility to keep within budgeted levels of expenditure to achieve the budget approved by the Governing Body. Budget holders should report to the Executive Headteacher or the Director of Finance any factors which will create a variance within the approved budget.

### **Funding Grants**

The EFA provide grants for a number of purposes. Virement between these grants is only allowed in accordance with the financial memorandum. Grants provided include:

- Recurrent grant (General Annual Grant) (GAG)
- Pupil Premium (PPG)
- Education Support Grant
- Additional Learning Support Grant (ALS)
- Devolved Capital Grant
- Building Condition Improvement Grant
- Student Bursary and Hardship Fund Grant

The Executive Headteacher before submission to the EFA should approve all funding bids from the School to the EFA.

## **6. Capital Expenditure**

The Executive Headteacher has responsibility for the capital expenditure of the School. The Director of Finance has responsibility for providing regular statements concerning all capital expenditure to Finance and Resources Committee for monitoring purposes.

Proposed capital projects should be supported by:

- a statement which demonstrates the projects consistency with the strategic plans and accommodation strategy approved by the Governing Body
- an initial budget for the project for submission to the Finance and Resources Committee. The budget should include a breakdown of costs including professional fees, VAT and funding sources
- a financial evaluation of the plans together with their impact on revenue plus advice on the impact of alternative plans
- an investment appraisal in an approved format which complies with the EFA guidance on option and investment appraisal
- a demonstration of compliance with normal tendering procedures and EFA regulations
- a cashflow forecast

Following completion of a capital project, a final report should be submitted to Finance and Resources Committee recording actual expenditure against the budget and reconciling funding arrangements where a variance has occurred.

## **7. Accounting Procedures**

### **Accounting Policies**

The financial statements are prepared under the historical cost convention, and in accordance with both EFA and applicable Accounting Standards. This guidance will be subject to review by the EFA.

### **Accounting Returns**

All accounting and financial systems operated by the School shall be under the control of the Director of Finance who shall be responsible for the production of financial management information as requested by the Executive Headteacher.

The financial accounts shall be prepared by the Director of Finance in the prescribed form and within the timescale specified by EFA and agreed with the Executive Headteacher prior to the submission for audit. The accounts shall be accompanied by such other information as may be specified.

At the end of the financial year budget holders shall provide such information as is necessary to close the School's accounts.

The Director of Finance shall present the accounts to the Governing Body.

### **EFA Returns**

It is the responsibility of the Executive Headteacher to ensure that all data returns to the EFA are completed. The Executive Headteacher, therefore, must sign every return which is required by the EFA. These returns must be signed by the Executive Headteacher prior to any electronic submission.

### **Accounting Records**

The Director of Finance is responsible for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.

The School is required by law to retain prime documents for six years. The details are included within the financial procedures. Additionally, for auditing and other purposes, other financial documents should be retained for three years.

### **Statutory Financial Statements**

The Director of Finance is responsible for the preparation of the annual financial statements of the School. These are prepared in accordance with the format submitted by the EFA taking into consideration the relevant applicable Accounting Standards.

The timetable for the preparation and approval of the annual financial statements is detailed in the financial procedures.

## **8. Income**

The Director of Finance is responsible for ensuring that appropriate procedures are in place to enable the School to identify and collect all income to which it is entitled.

The Finance Manager is responsible for the prompt collection, security and banking of all income received.

The Finance Manager should ensure that:

- debtors invoices are raised punctually in respect of income due to the School
- outstanding debts will be recovered promptly in accordance with laid down procedures.

Debts can only be written-off by the Executive Headteacher once all methods for collecting the debt have been applied.

### **Income from Students**

The School charges fees in accordance with its Charging Policy.

## **9. Banking and Cash**

### **Appointment of Bankers**

The Governing Body is responsible for the appointment of the School's bankers on the recommendation of the Finance and Resources Committee.

### **Banking Arrangements**

The Director of Finance shall be authorised to operate such banking accounts as considered necessary by the Executive Headteacher, and such accounts shall refer in their title to 'Great Sankey High School'. No other School accounts shall be permitted.

All cheques drawn on behalf of the School shall be signed in accordance with a mandate agreed by the Governing Body. Details of the current bank mandate are shown in Appendix D. That mandate will require all cheques to be signed by two signatories from an approved list. No officer of the School may authorise or sign a cheque drawn in favour of him/her.

The Director of Finance is responsible for placing funds so as to maximise the return on funds invested without exposing the School to excessive risk.

The Finance Manager is responsible for ensuring that all School bank accounts are reconciled on a regular basis to the School's book of accounts and that a periodic check is made on the bank reconciliation.

### **Cash Collection**

The School has an electronic online payment system called "Wisepay". School transactions now take place using this system. Examples of such transactions are trips and visits, text books, equipment etc. Further guidance can be obtained from the Finance Department.

All cash payments to the School must be directed through the finance office.

All cash collected should be reconciled on a daily basis. All cash holdings must comply with the School's insurance requirements.

Personal cheques must not be cashed out of any money received on behalf of the School.

### **Treasury Management**

The School currently banks with Lloyds Bank plc. All funds are placed with them so that there are no risks to the School. Surplus funds are deposited to a Deposit Account. There is currently £2m deposited in a 32 day notice account achieving an interest rate of 0.7%.

## **10. Expenditure on Goods and Services**

All items of expenditure are subject to the issue of official orders signed by an officer authorised by the Executive Headteacher. Appropriate evidence of certification and accreditation of professional bodies must be obtained in advance of entering into a contractual relationship with a supplier.

Budget holders may request the placing of orders for routine consumable expenditure up to the amounts approved in the detailed annual estimates.

### **Procurement Thresholds**

Between £1,000 and £25,000, three written quotations required.  
£25,000 and over, formal tender process required.

Formal tendering procedures will not be required if using purchasing consortia framework agreements but if there is more than one supplier within the framework agreement it is best practice to secure up to three quotations.

### **Authorised Limits**

The authorised limits currently are:

- (a) Governing Body: Unlimited
- (b) Executive Headteacher: £25,000

These limits are conditional upon the availability of sufficient funds within the agreed budget estimates of the relevant cost centre.

Any employee of the School who has any pecuniary, personal or other interest, direct or indirect, in the supplier of any goods or services to the School shall be responsible for making a declaration of such interest to the Director of Finance or Executive Headteacher.

**No person may commit or authorise expenditure on behalf of the School unless he/she has been specifically delegated by the Governors or by the Executive Headteacher to do so. The power to authorise expenditure will be subject to specific limits that may be varied only with the approval of the Governing Body.**

**UNDER NO CIRCUMSTANCES SHOULD A MEMBER OF STAFF ENTER IN TO A CONTRACTUAL ARRANGEMENT WITH ANOTHER MEMBER OF SCHOOL STAFF FOR THE PROVISION OF GOODS AND OR SERVICES ON BEHALF OF THE SCHOOL WITHOUT PRIOR REFERRAL TO THE EXECUTIVE HEADTEACHER.**

Procedures for the processing of orders and invoices are detailed in the financial procedures.

### **Tendering**

The School's tendering procedures, contained in the School's financial procedures, are applicable to:

- procurement of goods, services and buildings in excess of £25,000

Contracts for services may be tendered and awarded for a maximum of three years but up to five years if using a framework agreement through a purchasing consortia, but may be less if required.

The tendering procedures are subject to EU procurement regulations for all forms of procurement with a total value exceeding a threshold value. The threshold values from 1 January 2016 are £164,176 excluding VAT for supplies and or services, and £4,104,394 for works. A breach of these regulations is actionable by a supplier or potential supplier.

These Tendering procedures will not necessarily be required if the School is able to procure goods and services through a supplier who is listed within a Purchasing Consortia framework agreement. The reasons for this are that all suppliers will have already been through a vetting process to ensure quality, value for money and compliance with EU procurement regulations.

### **Value for Money**

The School procurement strategy is to use, whenever possible, purchasing framework agreements accessible by the School through its membership of the Crescent Purchasing Consortia (CPC). If a supply of goods and or service is not available through the CPC the School will seek to procure through the Crown Commercial Service framework agreements. Usage of the latter offers the School access to Central Government agreements. Usage of these framework agreements present the opportunity for the School to achieve significant savings and secure advantages which would not be otherwise achievable.

If it is not possible to use either of these sources for supplies of goods and services the School follows the procurement procedures outlined within section 4 on page 6 of the School Financial Regulations.

The Crescent Purchasing Consortium is a purchasing consortium operated exclusively for institutions working in the Further Education (FE) and Schools sector. The CPC now has 586 member institutions. The main benefits of CPC membership are as follows:

### **Guaranteed savings**

Benchmarking has recently evidenced that an average saving of 19% across most commonly purchased categories of goods and services can be achieved by switching to collaborative contracts of the type offered by the CPC.

### **Guaranteed compliance**

Through a combination of EU legislation and UK case law, public sector procurement is becoming increasingly complex and increasingly vulnerable to litigation. CPC contracts guarantee institutional compliance with all the relevant rules and regulations and minimise the risk of legal challenges.

### **Permanently Free Membership**

There is no cost, hidden or otherwise, to join and Members are free to leave the Consortium at any time without penalty.

### **Access to hundreds of professionally arranged contracts covering a wide range of goods and services**

New and improved contracts are constantly being added to the portfolio and all contracts come with a full audit history and are compliant with EU legislation.

### **Access to many of the contracts arranged by the long-established higher education purchasing Consortia**

Formal links are now in place with the North Western Universities Purchasing Consortium (NWUPC) and the North Eastern Universities Purchasing Consortium (NEUPC).

### **Access to professional purchasing advice, guidance and tools.**

A CPC Suppliers Directory is available on request from the Schools Finance Department. Further information about the CPC is available at [www.thecpc.ac.uk](http://www.thecpc.ac.uk).

Further information about Crown Commercial framework agreements can be found at <https://www.gov.uk/government/organisations/crown-commercial-service>

### **Local Suppliers**

Whenever and wherever possible the School will source from local suppliers if the quality of supply of goods and services provide, as they often do, good value for money.

## **11. Wages and Salaries**

The Director of Finance is responsible for all payments of salaries to all staff including payments for overtime or services rendered.

The Director of Finance is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.

The Director of Finance is responsible for keeping all records relating to payroll including those of a statutory nature.

All payments must be made in accordance with the School's detailed financial procedures and comply with Inland Revenue regulations.

Procedures for the payment of travel expenses for staff are detailed in the financial procedures. Any foreign travel by School staff must be approved by the Chair of Governors prior to the trip taking place.

### **Appointment of Staff**

The School will only employ permanent staff (whether full-time or part-time) for whom financial provision has been made within the budget approved by the Governing Body.

The School may only employ temporary staff on a short –term contract or via an agency, where there is specific budget approval to meet the cost.

All the School staff will be appointed to the salary scales approved by the Governing Body and in accordance with appropriate conditions of service. The Executive Headteacher should issue all letters of appointment.

### **Superannuation**

The Governing Body is responsible for undertaking the role of employer in relation to the appropriate pension arrangements for employees.

The Director of Finance is responsible for the day to day Superannuation matters including:

- paying of contributions to various authorised Superannuation schemes
- ensuring that the payroll bureau prepares the annual return to various Superannuation schemes.

### **Payment to Governors**

Governors shall not receive payment for service as Governors. Reimbursement of reasonable expenses incurred wholly carrying out the responsibilities as Governors will be made.

## **12. Assets**

The School will set up and maintain a register of all assets which are capitalised with a value of more than £1,000 and a life of at least three years.

Disposal of equipment and furniture must be in accordance with procedures agreed by Finance and Resources Committee and contained in the School's financial procedures.

## **13. Risk Management**

The Director of Finance reporting to the Executive Headteacher is responsible for effecting insurance cover as determined by the Finance and Resources committee. He is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. He will also deal with the School's insurers and advisers about specific insurance problems.

The Director of Finance will keep a register of all insurance affected by the School and the property and risks covered.

All staff using their own vehicles on behalf of the School shall maintain appropriate insurance cover for business use.

## **14. Taxation**

The Director of Finance is responsible for the School's taxation position.

## 15. Research Grants and Contracts

Research can be defined as original investigation, undertaken to gain new knowledge and understanding, which may be directed towards a specific aim or objective.

The term 'research grant' is restricted to research projects funded by the UK research councils and charities.

All other externally financed research projects are classified as 'research contracts'.

Where approaches are to be made to outside bodies for support for research projects or where contracts are to be undertaken on behalf of such bodies, it is the responsibility of the head of the department to ensure that the financial implications have been appraised by the Director of Finance.

The Director of Finance is responsible for examining every formal application for grant and shall ensure that there is adequate provision of resources to meet all commitments. The Director of Finance should ensure that the full cost of research contracts is established. The research agreement must be in line with the School's policy with regard to indirect costs and other expenses and take account of the different procedures for the pricing of research projects depending on the nature of the funding body.

The Executive Headteacher shall accept research grants and contracts on behalf of the School.

The Director of Finance shall maintain all the financial records relating to research grants and contracts and shall initiate all claims for reimbursement from sponsoring bodies by the due date.

Each grant or contract will have a named supervisor or grant holder and will be assigned to a specific cost centre.

Control of pay and non-pay expenditure will be contained within that cost centre. The head of the cost centre may delegate day to day control of the account to a supervisor or grant holder, but any overspend or under recovery of overheads is to be the clear responsibility of the cost centre holder with any loss being a charge on the departmental funds.

## 16. Additional payments to staff

Any proposal that involves additional payments to staff should be supported by a schedule of names and values and must be approved by the head of department and the Executive Headteacher and in the case of a head of department, the Executive Headteacher.

### **Private Consultancies and Other paid work**

Unless otherwise stated in a member of staff's contract:

- Outside consultancies or other paid work may not be accepted without the consent of Executive Headteacher.
- applications for permission to undertake work as a purely private activity must be submitted to the Executive Headteacher and include the following information :
  - the name of the member(s) of staff concerned;
  - title of the project and a brief description of the work involved;
  - the proposed start date and the duration of the work;

- full details of any School resources required (for the calculation of the full economic cost)
- an undertaking that the work will not interfere with the teaching and normal School duties of the member(s) of staff concerned.

### **Intellectual Property Rights and Patents**

Certain activities undertaken within the School including research and consultancy may give rise to ideas, designs and inventions that may be patentable. These are collectively known as intellectual property.

The Finance and Resources Committee is responsible for establishing procedures to deal with any patents accruing to the School.

In the event of the institution deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with the intellectual property procedures issued by the School and contained in the School's detailed financial procedures.

## **Appendix A**

### **Financial Responsibilities of the Governing Body**

- ensure the solvency of the School
- ensure that sound systems of financial control are in place and working effectively
- ensure the effective and efficient use of resources
- ensure that the funds provided by the EFA/LA are used in accordance with the terms and conditions specified in the School's financial memorandum with the funding council
- ensure that the School complies with the joint audit code of practice
- safeguard the School's assets
- approve the School's strategic plan
- approve annual estimates of income and expenditure and to approve the annual financial statements
- appoint the School's internal and external auditors

## **Appendix B**

### **Responsibilities of Finance and Resources Committee:**

- ensuring that the School maintains proper accounts and related records
- ensuring that systems are in place for all employees and creditors to be paid by their due date and that such systems are effective
- ensuring that all income received is correctly accounted for and that income receivable is collected promptly
- receiving and commenting on the School's revenue and capital budget
- ensuring that the requirement of the financial memorandum with EFA to maintain financial solvency is fulfilled
- managing the School's investment
  - overseeing - cash management and borrowing policies
  - the School's banking arrangements
  - the School's insurance arrangements
- any other matters as directed by the Governing Body
- reviewing the financial regulations and procedures every year.
- approval of the End of Year Financial Statements to the Governing Body (in conjunction with the Internal Audit Committee)

## Appendix C

### Responsibilities of Audit Committee

#### Duties:

- to consider the appointment of the external auditor, the audit fee, the provision of any non-audit services by the external auditor and any questions of resignation or dismissal of the external auditor
- to discuss if necessary with the external auditor before the audit commences the nature and scope of the audit
- to discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss ( in the absence of management if necessary)
- to consider and advise on the appointment of the internal audit service
- to review the internal audit plan, consider major findings of internal audit investigations and management's responses
- to satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness
- to receive any relevant reports from the National Audit Office or the funding council and other reports as appropriate
- to monitor the performance and effectiveness of external and internal audit
- to consider the draft annual accounts.
- approval of the End of Year Financial Statements to the Governing Body (with Finance and Resources Committee)

## Appendix D

### Bank Mandate

The bank mandate for the School is as follows:

All transactions should be signed by **two** of the signatories listed below, one of whom should be the Executive Headteacher or the Director of Finance.

The signatories are:

Executive Headteacher

Mr J Wright

Headteacher

Mr P Crawley

Director of Finance

Mr A.G. Keating

Deputy Headteacher

Ms K Beswick

## Appendix E

### Terms of Reference for Internal Audit

#### Responsibilities:

To achieve the following objectives:

- To review and appraise the soundness, adequacy and application of internal controls.
- To ascertain the extent to which the system of control ensure compliance with established policies and procedures.
- To ascertain the extent to which the institution's assets are protected from loss arising from:
  - Fraud
  - Irregularity
  - Corruption
- To ascertain the reliability of accounting and other information as a basis for the production of accounts and other returns and for use in decision making
- To ascertain the extent to which systems of control operate to promote the most economic, efficient and effective use of resources.