



Trinity Multi Academy Trust

Policy:	Finance Policy
Date of review:	September 2021
Date of next review:	September 2024
Lead professional:	Chief Finance Officer
Status:	Advisory

Contents	Page
1. Purpose of Policy and Guiding Principles	3
2. Links with other Policies and Legislation	3
3. Consultation	4
4. Governance – Terms of Reference;	4
5. Organisation Structure – Governance, Finance Team and Finance System	5
6. Scheme of Delegated Authority	7
7. Budget Planning, Process and Implementation	7
8. Reporting – External and Internal Reporting, Budget Management	9
9. Audit – Audit Committee, Internal Audit Function, Annual Accounts, Teachers Pensions, Declaration of Interests	11
10. Banking	12
11. Direct Debits	15
12. Supplier Set-Up	15
13. Credit Cards – Procedure and processing	17
14. Security and Back-Up	18
15. Purchase Order Processing	18
16. Purchase Ledger – Goods receipt, invoices, returns, payments and related party transactions	19
17. Procurement and Tender Procedure	21
18. Sales Invoicing – Types of Invoice and Frequency	22
19. Debtors Procedure and Facilities Hire	24
20. Cash – Petty Cash, Cash Handling, Student Services	25
21. VAT – Types, Calculating VAT, Exemption Forms	26
22. Academy Meals – Reporting and Posting	29
23. Fixed Assets Inventory – Depreciation on Assets	29
24. Payroll Process	30
25. Fraud Response Plan	34
26. Appendices'	
• Appendix 1 – Terms of Reference for Board of Directors	38
• Appendix 2 – Terms of Reference for Audit Committee	42
• Appendix 3 – Terms of Reference for Commercial Interests Committee	45
• Appendix 4 – Terms of Reference for Local Governing Body	47
• Appendix 5 – Seven Principals of Public Life	49
• Appendix 6 – Schedule of freedoms and delegations	50
• Appendix 7 – Current details – VAT number, Bank, Registration details	51
• Appendix 8 – Anti-fraud checklist for academy trusts	53
• Appendix 9 – Declaration of Interests Form	54

1. Purpose of policy and guiding principles

- 1.1. Trinity Multi Academy Trust (MAT) as a recipient of public money has an obligation to HM Treasury, the Secretary of State and the Education and Skills Funding Agency (ESFA) in upholding regularity in applying the funds for the operational costs of each academy.
- 1.2. The trust is committed to the transparent use of public funds and to ensure it provides value for money. This policy outlines the financial procedures to be used in any academy in our trust to ensure these are maintained and adhered to.
- 1.3. By implementing this policy each academy will ensure efficient and effective stewardship over its financial activities by a robust system of procedures.
- 1.4. Within this document the terms 'Trustees' and 'Directors' are used interchangeably but mean the same group of people known to Trinity MAT as the Board of Directors.
- 1.5. Also, within the document the terms Finance (and Operations) Managers are generally used, this can cover Management Accountant, Finance Controller, Finance Manager or Finance (and Operations) Manager – all recognised as finance leaders within their respective academy.

2. Links with other policies or legislation

- 2.1. The ESFA require the trust, as outlined in the latest version of the Academy Trust Handbook (ATH), by the terms of its funding agreement or supplemental funding agreements to:
 - manage and maintain a financial oversight,
 - have finance control principles in place,
 - ensure future financial plans are projected,
 - adhere to public funds procurement rulings,
 - manage risks accordingly,
 - be transparent about governance, and;
 - have a whistleblowing procedure in place.
- 2.2. The ATH sets out the areas of HM Treasury's 'Managing Public Money' guidance on financial management in upholding the "*use of its resources efficiently, economically and effectively, avoiding waste and extravagance*".
- 2.3. It also reflects HM Treasury's 'Regularity, Propriety and Value for Money' guidance to propriety and regularity and 'The 7 Principles of Public Life'.
- 2.4. The trust must investigate any suspected fraud or misuse of funds as outlined in the Staff Disciplinary Policy. We will ensure we utilise our Fraud Response Plan in relation to this as detailed in note 25 within this document. The ESFA would also be informed on any occurrences as soon as is operationally practical to do so, based on the particular circumstances.
- 2.5. Other internal policies and procedures linked to the Finance Policy are:
 - Fixed Assets Policy
 - Investment Policy
 - Reserves Policy
 - Charging and Remissions Policy
 - Expenses Policy
 - Scheme of Delegated Authority
 - Pay Policy
 - Whistle Blowing Policy

3. Consultation

- 3.1. The Chief Financial Officer (CFO), The Chief Operating Officer (COO) and the Chief Executive Officer (CEO) as Accounting Officer have been consulted on this policy.
- 3.2. This policy will be reviewed regularly and may be changed to reflect the needs of each academy or the funding regulations from the ESFA as applicable.

4. Governance – Terms of Reference for all Committees, Groups and Sub-Groups

4.1. Members

The Members are the key decision makers and have over-arching power to ensure the ethos and educational vision is embedded in all institutions within the trust. They in turn appoint a Board of Directors (BoD) who are in place to hold the CEO and all Local Governing Bodies (LGBs) to account for the performance of their school.

They have an over-arching and strategic role, ensuring that their vision for the character and ethos of any academy in the trust, and its role in the local education system, is carried forward. They are also responsible for setting the key policies; agreeing and monitoring key objectives; overseeing the trust's budget and accounts; and being involved in Director appointments. They adhere to the Company Articles of Association, details of which can be found on Companies House or on the Trinity MAT website (<https://www.trinitymat.org/governance/articles-of-association/>)

4.2 Terms of Reference – Board of Directors - reviewed annually

Please see Appendix 1 for the latest Board of Directors Terms of Reference which are reviewed and updated annually.

4.3 Terms of Reference – Audit Committee – reviewed annually

Please see Appendix 2 for the latest Audit Committee Terms of Reference which are reviewed and updated annually

4.4 Terms of Reference – Commercial Interests Group (CIG) – reviewed annually

Please see Appendix 3 for the latest CIG Terms of Reference which are reviewed and updated annually

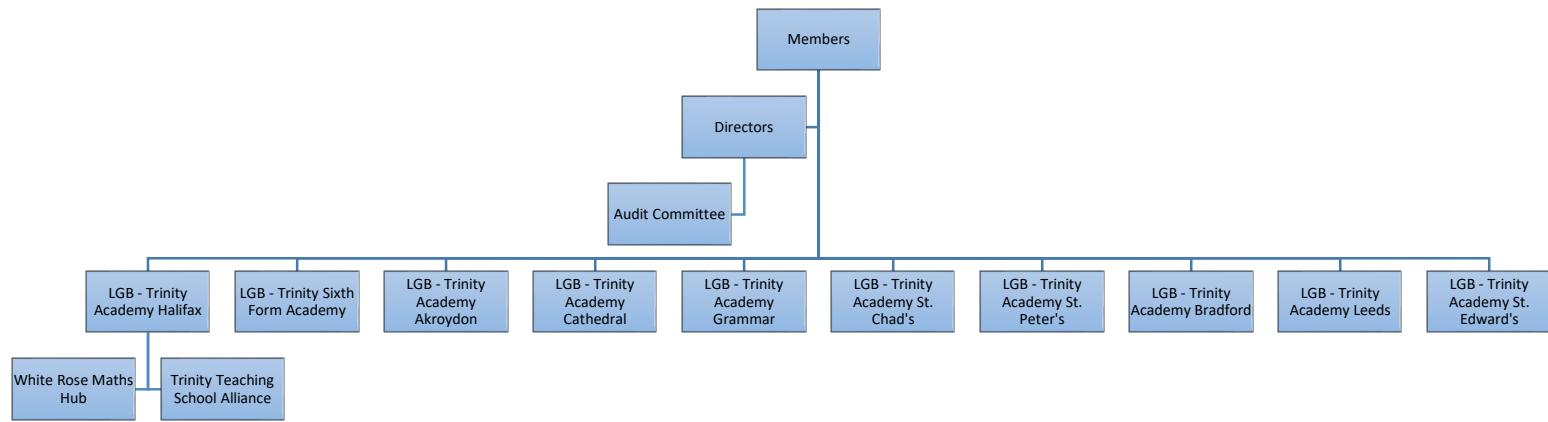
4.5 Terms of Reference – Local Governing Body (LGB) - reviewed annually

Please see Appendix 4 for the LGB standard Terms of Reference which are reviewed and updated annually, they can be adapted to reflect the distinctive identity of each school.

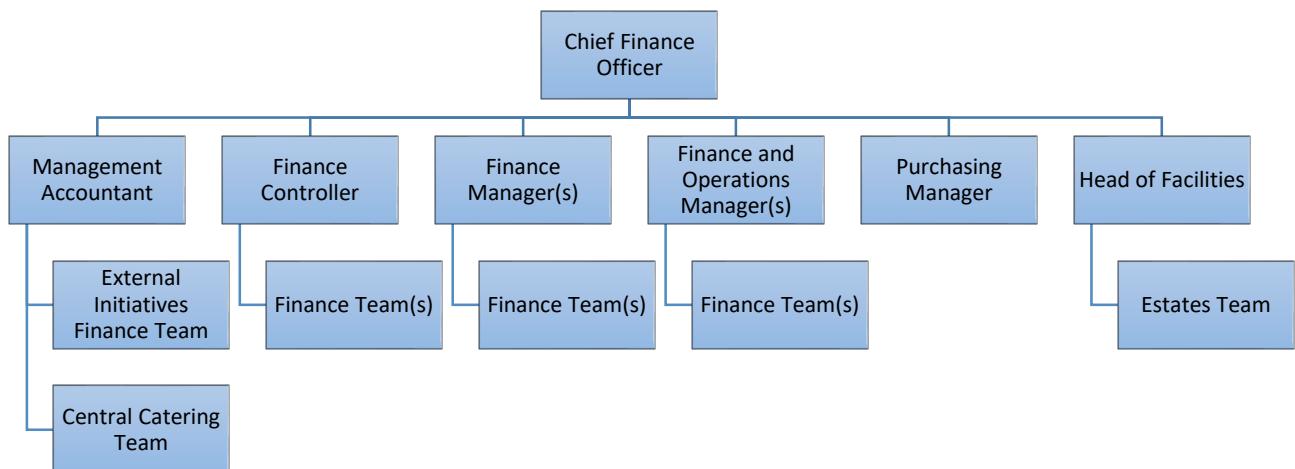
Each Governing Body has the accountability within our MAT Scheme of Delegation to create sub-groups of the LGB that they feel are required, but the LGB meetings should be used to collate core academy business for challenge and discussion.

5. Organisational Structure – Governance and Finance Team

Governance



Finance Staffing



5.1 **Finance Accounting System**

The finance team use an accounting software package called Sage for Education created by Sage. It is set up to allow the finance members of staff to be able to input data and create reports for analysis. This system is a cloud-based system which can be accessed from any site. This ensures access is possible on site or remotely to allow for ease of growth within the finance function as the team and the trust constituent academies continue to grow. The system has all the basic accounting system functions of purchase and sales ledger, cash book, nominal ledger and trial balance reports. Invoices are scanned into the system for easier analysis via copy invoices and to assist year end audit reviews.

The accounting package that each academy uses also has an online purchase ordering function that is built around our scheme of delegation. This is called Sage 200c Standard Online which gives certain authority for order requisitions to be placed, which are in turn sent for approval to the relevant budget owner. Budget owners can review their assigned budgets and expenditure at any point throughout the year. Approval limits are set within the system ensuring that the CFO and (Executive) Principal of each academy are required to add another level of approval in the system if the order is over a specified value or a certain number of quotes are required (see below section 6 for the scheme of delegation).

All members of the finance team have access across the system, although there are certain restricted rights in place (for example a Finance (and Operations) Manager has access to all functions whereas a Finance Apprentice has limited access in amending budget owners etc.) The system is used to monitor and review all budgets and change/update user access as required. The online program is explained in further detail in section 16 for purchase ledger processes.

As the MAT continues to grow it will continue to roll out the common use on its preferred financial package (currently Sage for Education) to all schools that join the trust, this may mean that whilst we will always endeavor to achieve this prior to a school joining our trust at times we may have to work with other systems in order to achieve implementation of our MAT chosen financial package. On this basis, we have a range of skilled staff that are familiar with a variety of different school or academy accounting packages (e.g. SIMS FMS and Civica) so we can ensure that the transition and support to change systems works seamlessly.

This entire Finance Policy is based on the use of Sage for Education and may need to be adapted if there is an interim period whilst the accounting package is implemented in a school that joins the trust.

Finance Budgeting System

Trinity MAT utilises Orovia BPS - Budget Planning Software. We use this cloud-based system to retain our annual budgets, to produce our future budget plans and also for in-year monthly budget monitoring reports for Principals and Governors.

Payroll System

Linked with the Orovia BPS system is our current in-house payroll function which uses Orovia Edupay for payroll reporting. This system is used to calculate all payroll deductions and the reporting figures we need to communicate with external bodies (HRMC, Teachers Pensions, West Yorkshire Pension Fund etc.) and the pay-slips for our employees. Upon confirmation of these we can produce our monthly payroll reports and process the net pay for our staff.

All our payroll processes are clearly identified within our separate Payroll Policies in Section 24.

6. Scheme of Delegated Authority

In accordance with the Academy Trust Handbook (ATH) published for each academic year, Trinity MAT will operate in accordance with the responsibilities defined by role (for example, Members, Trustees/Directors, Accounting Officer) as set out by the ESFA. The ATH is generally updated at least once a year by the ESFA to reflect any changes in funding or legislation and all the finance team across the trust are kept up to speed with any changes that are applicable to our academies and external initiatives.

The MAT has a separate Scheme of Delegated Authority which is kept up-to-date under the Governance section on the Trinity MAT website (www.trinitymat.org), this sets out the Scheme of Delegated Authority for Financial Authorisation Levels. The document is easily accessible from the Trinity MAT website with the specific link:

<https://www.trinitymat.org/wp-content/uploads/2021/04/FINAL-SoDA-Feb-2021-1.pdf>

7. Budget Planning

Each **Local Governing Body** (LGB) are required to:

- Produce a three-year budget plan detailing estimates of planned income and expenditure over the next three years.
- Ensure that total planned expenditure does not exceed budgeted income and there is a balanced budget for future years, appreciating that each academy can have a year where it experiences significant changes. If that is the case, it needs to provide a robust financial budget to navigate these changes so that the future financial stability of the trust isn't compromised.
- Produce an assumptions sheet which forms the basis of the three-year budget that is open to scrutiny and challenge. The assumptions will provide a varied basis of student numbers, inflationary increases, projected staffing increments and standard of living increases etc.
- An in-year deficit budget can be set if there are viable reasons for the position. The budget must be either covered by brought forward surpluses or submitted with to the CFO with an acceptable time scale plan to recover the deficit position.
- Create a budget led by the Finance lead, usually the Finance (and Operations) Manager, Finance Controller or Management Accountant of each academy along with the (Executive) Principal, considering funding formulas provided by the ESFA and any other funding details available. Future year budgets must be planned in line with projected student numbers which are submitted and open to challenge.
- Get the three-year budget presented for approval by the Local Governing Body (LGB) who then recommend this to the trust Board of Directors for overall collective trust approval, this must be done at least one month prior to the start of the academic year.
- A more comprehensive list of duties and powers reserved for the LGBs and their sub-groups is set out in the Scheme of Delegated Authority as per point 6 above.

The **Board of Directors** are required to:

- Produce a consolidated three-year budget detailing estimates of planned income and expenditure over the next three years.
- Create a MAT budget led by the Chief Finance Officer along with the Accounting Officer, considering funding formulas provided by the ESFA and any other funding details available.
- Ensure the three-year budget which consolidates all academy budgets is approved by the Board at least one month prior to the start of the academic year and submitted to the ESFA accordingly, current deadline for this is 31 July.

7.1 Budget Planning Process

The process of creating the three-year budget is as follows:

- Through the weekly staffing meetings, the Vice Principal's, Principal, Executive Principal and other Senior Leaders in an academy arrive at a suitable teaching staffing model and any vacancies identified, alongside a support staffing plan to assist the teaching requirements. We utilise a Curriculum Led Financial Planning model to ensure the curriculum offered is value for money whilst being able to offer an outstanding teaching and learning environment.
- The ESFA notify each academy via the CFO of the MAT of their School Budget Share (SBS) or General Annual Grant (GAG) income allocation by the end of February for the following year's income.
- Note that GAG allocation statements for February and March opening academies or in-year transfers will usually be issued by the end of April.
- The finance lead in each academy with input from the (Executive) Principal of each academy arrive at a suitable one-year budget in their set of budget meetings based on the overall staffing position known, assuming a performance management increment and all other budgets pulled together based on historic information alongside any other potential areas for movement in the coming periods.
- The CFO robustly challenges the proposed inflationary increases (salaries, materials and services) with the Accounting Officer before providing a trust overview of agreed assumptions to finance leads which are used to produce consistent three-year budgets.
- This is then developed in mind for the following two years including any other projects or amendments known at that time, including any changes to student numbers.
- The Finance lead in each academy then holds meetings with all Budget Owners to discuss and agree the projected budgets for the following financial year. The aim is to ensure there is an acceptance and understanding to work within the agreed budgets in the coming financial year. Budget owners sign off a sheet annually once agreed to approve they have been involved in setting the budgets.
- Once all is confirmed, the budget is submitted to Governors for approval.

7.2 Budget Implementation

Once the new budgets have been approved, the CFO delegates to the Finance (and Operations) Manager to create budgets on the accounting system for the academic year.

Capitation (or departmental spend) letters are created and sent in advance of the new budgets going live. This allows budget holders to designate duties of placing requisitions to a member of their respective teams. For example, Curriculum Leaders will be the budget owner for their area and will delegate to another member of staff to be able to place purchase orders on the system (e.g. a Technician and/or a Deputy Curriculum Lead). The budget will be 'live' on the first day of the academic year ready for requisitions.

7.3 Budget Monitoring

As part of the ESFA guidance the trust must prepare management accounts every month setting out its financial performance and position. These management accounts must be shared with the Chair of Directors every month and with other Directors six times a year. This process for Trinity MAT is strengthened as both the Chair of Directors and the Chair of Audit Committee receive these monthly. Question and challenge can be communicated by email or over a brief remote meeting as required.

We utilise our Audit Committee and also the Board of Directors to ensure we get full coverage across the financial year at meetings with a more strategic finance focussed Board meeting twice a year. One meeting usually around November/December time to conclude the year end position just completed and one meeting to propose and approve a future three-year consolidated budget position.

In future periods the trust envisages setting up a separate Finance Committee to focus on the financial monitoring of the trust in more detail which will then allow the Audit Committee to focus its work more acutely on the audit reports and the areas of risk which face the trust.

7.4 The Budgetary Cycle

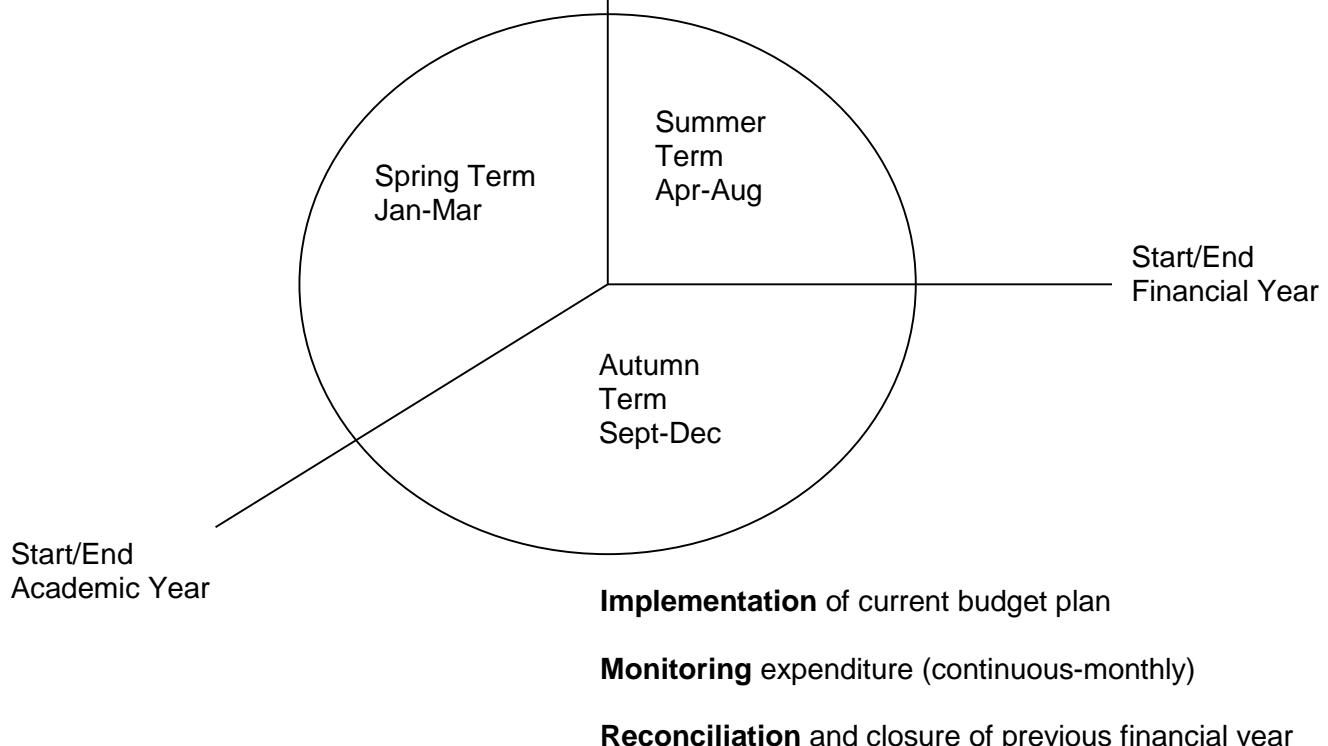
Monitoring and Reviewing of the 3 year budget

Pre-planning new financial year

Planning for forthcoming year

Preparation of Budget plan

Review of current year's budget



8. Reporting

Each academy produces reports for both internal and external use.

8.1 External Reporting

The MAT central finance team adheres to the ESFA Budget Reporting cycle for the following reports/submissions:

- School resource management self-assessment tool checklist by April
- Budget forecast return by July for future years budgets
- Land and buildings collection tool by October
- Annual accounts return in January for previous years Finance Statements
- Annual (audited) Financial Statements by December for the August year end.
- Filing of financial statements with Companies House
- Submit the land and buildings valuation return (if applicable)
- Inform and liaise with Directors on their responses to the "Dear Accounting Officer" letters sent by the ESFA on an ad-hoc basis.

#The dates could change as directed by the ESFA#

The production of these reports adheres to Charity Commission's Statement of Recommended Practice (SORP) and up-to-date legislation relating to accounting treatments.

Other External Reporting is as follows:

- Teachers Pensions End of Year Certificate (externally audited prior to submission).
- Teachers' Pension Monthly Data Collection submission.
- West Yorkshire Pension Fund – Monthly Return.
- HMRC Quarterly VAT Returns
- HMRC Monthly payroll reports for tax and national insurance
- Any other reporting as required (e.g. reporting on funds spent from additional grants or Teaching School audit reporting on spend).

8.2 Internal Reporting

The multi academy trust in its efforts to ensure sound financial management has an internal reporting procedure in place recognised as Budget Monitoring (as above) or Monthly Management Accounts. This is controlled by the CFO who receives and co-ordinates all academy budgets from finance leads in our academies for central quality assurance and distribution to the Chair of Directors and Chair of Audit Committee.

The finance leads in academies ensure Budget monitoring reports are reviewed monthly with the academy Principal, and other Senior Leaders as applicable, and circulated to the Local Governing Bodies during several parts of the year. The LGB's follow a similar cycle to the Board of Directors with two finance focussed meetings a year, one to review last years end position performance and the other to review and propose a future three-year budget for their academy.

The LGB who receive financial updates will also utilise the academy Operational Risk Register alongside to ensure there is a common understanding of the financial performance and projections which incorporates the risk facing an academy that could have a financial implication.

8.3 Budget Management

Performance Analysis

The Finance (and Operations) Manager monitors actual spend alongside a working flexed budget and produces a budget monitoring report for the CFO and (Executive) Principal of each institution on a monthly basis.

This monthly report ensures it reports on the variance from the previous months financial position and adds an overview commentary on any main changes in income, expenditure and overall variances. It also includes a bit more detailed commentary on a line by line basis to add further clarity and understanding to the financial information presented.

All budget monitoring reports produce a Revenue and Capital report ensuring Principals and Governors have an overview on the running revenue finances and any capital projects projected. Note any overspent Capital funds (including brought forward positions) have to be transferred/funded from Revenue funds within the year.

Each academy will need to finalise an accurate September to March actual expenditure position in order for the central MAT finance team to submit the Budget Forecast outturn to the ESFA, the current deadline for this is May, and these actual positions will form part of the projected brought forwards finances for the future three-year budget.

9. Audit

9.1 Audit Committee

The following principles are set out in the Academy Trust Handbook that ensure the academy trust **must** establish a committee, appointed by the Board of Directors, to provide assurance over the suitability of, and compliance with, its financial systems and operational controls. Taking into account the differing risks and complexity of their operations:

- all trusts with an income of over £50 million **must** have a dedicated audit committee.
- all other trusts must either have a dedicated audit committee, or can include the functions of an audit committee within another committee, such as finance.

The trust has decided to establish and maintain a central Audit Committee (AC), appointed by the Board of Directors, which focuses on providing assurance that all risks are being adequately identified and managed via internal financial controls through a programme of work. It will also ensure a more detailed financial review is completed within the specifically focussed meetings.

The committee as set out in their Terms of Reference, will focus on providing assurance to the Governors and Trustees that all risks are being identified and managed via the internal audit reports and submission of the Strategic Risk Register for the MAT. Each academy LGB is responsible for maintaining its own academy Operational Risk Register. Any residual risks that highlight in red rated above 15 are reported to the AC by exception given the potential impact the identified risk could have on the trust.

9.2 Internal Audit Function

As per the above we have chosen as a trust to have a specific AC who will meet at least three times per year. The decision has been maintained to appoint an internal audit function to work with the MAT and supply independent assurances, concerns and recommendations on a range of areas within each academy and centrally. The areas are chosen specifically by the AC and dates are arranged with management to comply with the relevant review of the chosen area. Identified reviews cover strategic and financial planning; risk management; business continuity planning; governance; financial systems health check among several others. The AC have the autonomy to amend the review areas in light of current issues or when risks are highlighted of more concern during the year.

The AC have decided (in conjunction with management) to appoint a company responsible for performing the range of risk checks on each academy with reports submitted at least twice a year to the AC for review of the specific area with actions as required. Overall the internal auditors will evaluate the adequacy of risk management and control within the systems and the extent to which controls have been applied and adhered to.

The trust must submit its annual summary report of the areas reviewed, key findings, recommendations and any conclusions to the ESFA by 31 December when it submits its annual audited accounts (dates may change in accordance with ESFA rulings).

9.3 Annual External Financial Statements Audit

At the end of each academic year, the trust must produce a set of independently audited financial statements to 31 August of that year prepared under Charities SORP (Statement of Recommended Practice) and the ESFA's Academies Accounts Direction. The trust must submit the audited accounts to the ESFA by 31 December of that year and file the accounts with Companies House Registrar as required by the Companies Act.

In conjunction with the financial statements audit, the auditors will compile a regularity report to provide assurances that all income and expenditure received during the year has been

applied for the purposes in which it has been intended. The financial statements have to be published on the trust website by 31 January (following the year end 31 August) and two years accounts should be retained on the trust website.

An external audit team are appointed by the AC to certify that the financial statements give a true and fair view and that the trust continues to be a going concern. The Financial Statements and the findings report are sent to the Audit Committee for review and approval. They are then in turn offered as a recommendation to the Board of Directors for approval at the annual general meeting which is usually in November/December of every year, at which the Accounting Officer and Chair officially sign off the accounts.

There is a general requirement that the external audit process should be re-tendered at least every 5 years and the AC will form part of the review of the tender document and appointment of the new external auditors alongside management.

9.4 **Teachers' Pensions Audit**

To comply with the rules set out by the Teachers' Pensions Scheme (TPS) the MAT will appoint an auditor to test the application of the scheme rules. The external auditors are usually the named auditors to review the payroll reports, sample check the TPS workings, report their findings and sign off the Audit Report required by Teachers' Pensions before submission. This is done centrally as a MAT consolidated process and is produced and managed by the MAT Finance department.

9.5 **Declaration of Interests (DOI)**

As part of the annual audit process we are required to maintain a declaration of interests register which is checked for accuracy annually. This annual update should cover Members, Directors, Local Governors, Senior Leaders and Finance staff in all schools. It is the responsibility of each individual to update HR and Finance if anything changes during the year.

Every member of staff is required to sign a DOI form prior to starting with the trust and it is the individual's responsibility to inform the trust HR department if anything changes in that regard during the year. Appendix 9 shows an example of the declaration of interests form which are updated annually on our website as per ESFA guidelines.

10. **Banking**

10.1 **Choosing an Account**

- The trust is responsible for selecting the banking institution and negotiating the terms and conditions. This is currently held with Lloyds Banking Group.
- The Board of Directors must authorise the opening of all bank accounts.
- Terms of arrangements, including cheque signatories or BACS authorisations and the operation of the accounts are at the discretion of the Chief Finance Officer and Accounting Officer.
- Each academy must ensure there are sufficient funds to cover large payments.
- A current account can be opened to enable invoice payment by our preferred option of BACS payments. This account may pay interest on the balance.
- Also, a term deposit account can be opened for each academy and the trust. The account can hold each academy's main balance or amounts can be transferred in order to attract a higher level of interest. Please see the Investment Policy for further clarification.

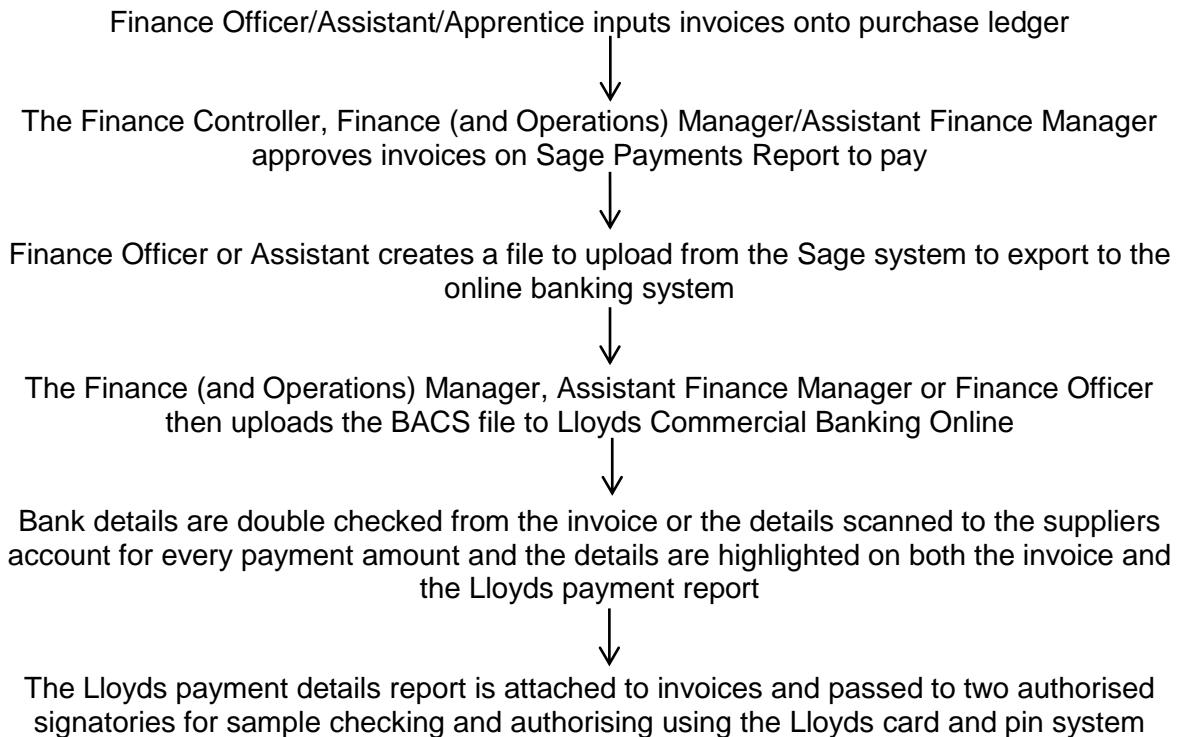
10.2 Bank Mandate

- All BACS payments require two signatories/approvals for internal control purposes.
- At least four signatories should be registered for all MAT accounts (CEO, CFO, Director of Primary, Management Accountant, CEO PA, Executive Principals, as appropriate).
- At least two signatories should be registered at academy level consisting of Executive Principal, Principal, Principal's PA, Vice Principals and/or Assistant Principals.
- The bank mandate must be updated when relevant staff leave the employment of each academy and this is the responsibility of the Finance (and Operations) Manager/Finance Controller.

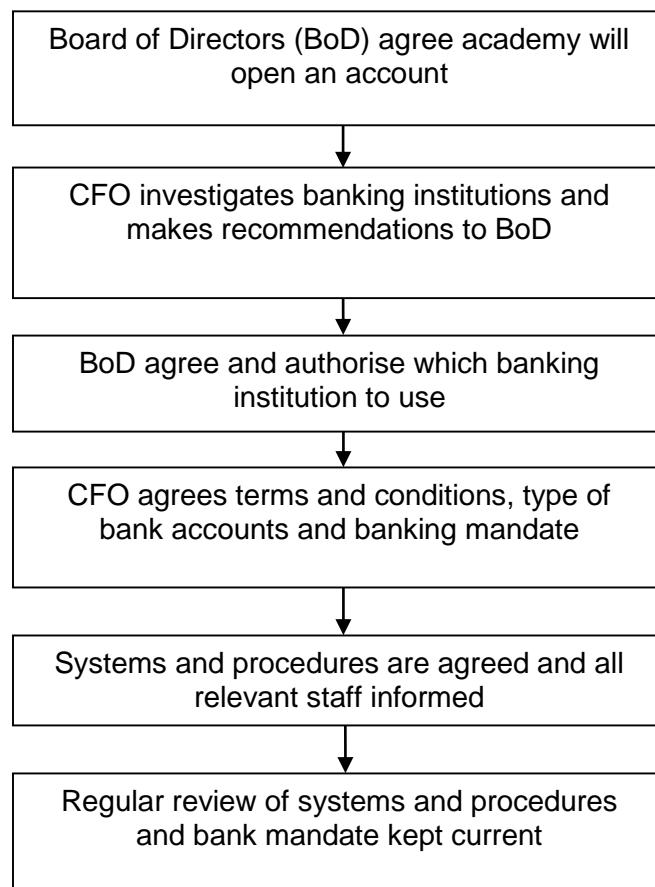
10.3 Controls of the Bank Account

There must be a segregation of duties between the authorisation, preparation and issue of a BACS payment. No one who prepares and issues the BACS file may also sign it, without a second signatory who has not been involved in the BACS file preparation and submission.

Flow Chart of payment process BACS and Cheques



10.4 Flow Chart – Opening a Bank Account



10.5 Cash Flow

- As each academy bank account cannot go overdrawn, cash flow is monitored closely.
- The Finance Controller or Finance (and Operations) Manager checks the bank account daily and balances at least once a week to the Sage accounting package. A cash flow statement is produced for the CFO who discusses any large unexpected payments or amendments within the last month's activity to the CEO or (Executive) Principals, as appropriate.
- All relevant parties are made aware of any large payments which could cause problems due to payment limits or cash flows.
- We will inform the ESFA if there is any anticipation of a temporary cash flow problem with reasons for the problem.
- Cash flow is monitored to ensure there is parity between cash flow and budget expenditure.

10.6 Bank Reconciliation

The bank is reconciled on a working weekly basis, subject to term time only staff contracts, by the Finance (and Operations) Manager/Assistant Finance Manager as they are responsible for the bank reconciliation. This is done through the Bank Reconciliation section on Sage and each week is signed off and filed for audit purposes and then checked and countersigned. This is done for all bank accounts, including any current account, endowment/trust and deposit accounts where applicable. The secondary checks are to ensure accuracy but it is appreciated that for some academies the segregation of duty and chain of command is so linear that for it to be checked, a copy can be scanned to a Finance (and Operations) Manager in another academy for checking and counter-signing.

11. Direct Debits

Direct debits are used only for the following services to give each academy more control over its bank accounts:

- Utilities such as Gas, Electric and Water.
- Rates – Local Authority Business Rates.
- Services such as Postage and Telephones.

Directors and Local Governing Bodies delegate authority to the signatories within each academy to use direct debit arrangements where appropriate but each academy must:

- Record each direct debit set up, listing payment details, dates, length to run etc.
- VAT can be re-claimed, provided supplier submits a VAT statement/invoice.
- Reconcile direct debits regularly.
- Be aware of direct debit payments due when calculating cash flow.

12. Supplier Set-Up Procedure

Before setting up a new supplier on the Sage system the supplier has to complete a new supplier form in which it asks for the company details, an example of the form is on the next page.

This procedure is in place to remove an element of fraud risk and to verify that the company is a bone fide entity recognised by Companies House. The delegation for approving new supplier forms falls with the Finance (and Operations) Manager/Assistant Finance Manager and the Finance department but if there are any concerns they should be raised to the CFO.

We use a single new supplier form across the MAT, suppliers are given a unique code once set up centrally. All contractual information is stored in the links section of the purchase ledger supplier account on Sage and also on SharePoint.

Any self-employed suppliers are checked for IR35 compliance to ensure we adhere to HMRC guidance for each relationship and the online question form (<https://www.tax.service.gov.uk/check-employment-status-for-tax/setup>) is used to ensure we are compliant. All parties that utilise self-employed staff are aware of the rules in regards to IR35 and substitution of the roles in regards to this.

New Supplier Account Details



FOR FINANCE USE ONLY:

Supplier Number

FOR SETTING UP A NEW SUPPLIER PLEASE FILL IN THE BOXED AREAS
BELOW AND E-MAIL THE FORM AND SUPPORTING DOCUMENTS TO
accounts@trinitymat.org OR FAX IT TO 01422 240033

School being supplied

Supplier Name

Address Line 1

Line 2

Line 3

Line 4

Line 5

Post Code

Country

Telephone

Contact Name

Fax

E-mail address for future BACS Remittance

E-mail address for ORDERS

Credit Terms (Days) D30

Payment Method BACS only

Regular Supplier

One Off

VAT Reg Number

Company Registration Number

Signed by:

Name

Position

Date

Tel

All forms must be accompanied by a paying-in slip or bank account details on company letterhead, failure to do so may result in delayed payment.

D.P.O. USE:

Personal information processed? Y/N

Yes

No

If yes, GDPR compliant contract? Y/N

Yes

No

Authorised by: Name
(D.P.O.) Date

FINANCE USE:

Input by: Name
Date

Authorised by: Name
(GFM, SFO, F&OM) Date

13. Credit Cards

- The following staff are authorised users and hold academy credit cards. They have read and agreed to follow the procedures detailed below:
 - MAT central services leaders (CFO, Management Accountant, ICT Director, Head of Facilities)
 - MAT Head of External Initiatives (HoEI), Finance Controller or Finance Manager
 - Finance (and Operations) Manager at each academy location
 - Executive Principals'
 - Principal at each academy location
 - In each academy there will usually be up to two roles responsible for the ownership of a credit card and adherence to the procedures set out for credit card use. This will normally be the Principal and/or the Finance (and Operations) Manager. Either the CEO or CFO can approve any change to this ruling.
 - Each academy will review and control the use of the cards, finance staff will oversee the following:
 - a. The spending limit on each of the cards, within the limits of:
 - MAT central services leaders (CFO, Management Accountant, ICT Director, Head of Facilities) – Up to £15,000 depending on requirement use
 - MAT Head of External Initiatives (HoEI) – Up to £10,000
 - Finance Controller / Finance Managers' - £8,500
 - Finance (and Operations) Manager at each academy location – Up to £5,000
 - Executive Principals' – Up to £10,000
 - Principal at each academy location – Up to £8,500
- Any new card for academies that join the trust will be allocated a limit of £5,000, any limits higher than this are only upon direct approval from the CFO or CEO.*
- b. Card payments must be reconciled on a monthly basis with all receipts and signed off by the line manager or (Executive) Principal. The Finance (and Operations) Manager or Assistant Finance Manager will sign and approve when reconciling the payment to the credit card provider statement. The CFO and HoEI cards must be approved by an (Executive) Principal or CEO. In the event of any absence, the CFO can sign and approve all but their own.
 - c. Each academy Principal's or Executive Principal credit card statement must be signed off by the Principal and approved by the Finance (and Operations) Manager or Assistant Finance Manager of each academy. The CFO or CEO can approve in the absence of an approver.
 - d. Each Finance (and Operations) Manager credit card statement must be signed off by the individual and approved by the (Executive) Principal of each academy. The CFO or CEO can approve in the absence of an approver.
 - e. Credit cards can only be used in conjunction with the core purpose of each academy and any discrepancy will be investigated. If the use is found to be not in line with academy business the user may be subject to disciplinary proceedings.
 - f. Only in an emergency can the CEO and/or CFO increase the card limits to cover increased unexpected expenditure. E.g. FSM Vouchers during COVID 19.

14. Security and Back-up

- The Sage Finance System is a cloud-based application that is managed by Sage who also control the backup schedule. Sage run a rolling 7-day backup and this runs at 00:05am every night. They also run monthly and annual backups. The accounts package is password protected.
- Spreadsheets containing budget and salary information are password protected saved within the network drives.
- Our payroll provider Edupay is a cloud-based system and these backups run overnight daily and weekly.

15. Purchase Order Processing

Trinity Multi Academy Trust use an online ordering system called Sage for Education that is part of the Sage Accounting package to keep costs down on paper and printed order books. The system allows purchase ledger invoices to be scanned and linked to the invoice on the system, which saves a lot of time with filing.

Only designated people are allowed access to the system and their log in details are created and managed by the finance team at each academy. There are different levels of access which offer different levels of authority. Budget holders are given access to approve purchases on their budget, which ensure they can monitor and review their budgets. Staff that can place requisitions on the system are only given access to this function if they are not a budget holder.

The annual budget is split down to various cost centres to allow for operational use at academy level. The (Executive) Principal or Finance (and Operations) Manager of each academy are responsible for setting the budget owners. Although they can be amended to suit each academy they generally consist of the following groups of individuals:

Senior Leadership Group, Principal's PA, ICT Director, Curriculum Leaders, Site Manager, Catering Manager, Data Manager, Exams Manager, Finance (and Operations) Manager, Finance Controller, Management Accountant, CFO.

The process:

- When goods are identified as needed, a requisition is placed on the online system by a delegated person on behalf of the budget owner.
- An email is sent to the budget owner notifying them that there is an order to approve.
- The budget owner logs on and approves the order within the scheme of delegation limits (i.e. items over £1,000 require further approval and require three quotes).
- The approved order then awaits the allocation of an order number on the accounts package.
- The Finance (and Operations) Manager/Finance Officer or Assistant, on a daily basis, checks the Purchase Order section and pulls through any approved orders and the system generates an order number. This is then sent by email or post to the suppliers.
- Orders are kept as 'Live Orders' on respective supplier accounts and matched off when the goods/service are received and the invoice is posted to the account.

Members of the finance team can place requisitions on all budgets and have access to review these budgets. This is to enable the team to provide support when necessary. Confidentiality of budget information is to be maintained at all times and staff have to be specifically approved to be able to view other budgets.

At least annually the live orders system is reviewed by academy based finance teams and checked to make sure any orders that are over four months old are dealt with accordingly (cancelled, chased for invoice etc.)

16. Purchase Ledger – Goods receipt, invoices, returns and payments, related party transactions

- Goods that are delivered to each academy can only be accepted by either the main reception, a member of site or finance team at the dispatch area or catering goods at each academy kitchen entrance.
- Once received, items are then delivered (usually) by the site team to their respective area (e.g. books to English), the order is checked to make sure all goods have been received by either a Curriculum Leader (Budget Owner), a Deputy Curriculum Leader or Technician (if applicable). Once checked the delivery notes and/or invoices are signed off and passed to finance to say all goods listed on the delivery note have been received with no discrepancies or faults.
- If there are missing items of stock compared to the delivery note or goods arrive that are damaged or faulty, this is raised with a member of the finance team who will endeavour to resolve the issue in a timely manner. Invoices will not be processed on the system or paid until an adequate resolution is met.
- Once the goods are signed off, the Finance Officer, Assistant or Apprentice will process the invoice on the system matching it off to the order placed. The signed delivery note is attached to the invoice, if the invoice has not already been signed by the budget owner.
- The Finance (and Operations) Manager or Assistant Finance Manager on a weekly basis approves a payment run by selecting invoices that are due for payment. Each academy terms for payment are 30 days from invoice date unless other terms are stipulated by the supplier.
- The Finance (and Operations) Manager or Assistant Finance Manager approves the invoices and initials them. The accounts package populates the bank run on a file once the invoices have been approved.
- The Finance (and Operations) Manager, Assistant Finance Manager or Finance Officer then exports a BACS file to the online banking system and prints a payment details report summary listing all the suppliers and their payments.
- All bank details are checked to the invoice or scanned document on suppliers account, if not listed on the invoice
- The payment run is then handed to an authoriser for first approval (one of the six as outlined in Section 10.2). They then go through the process of approving the payment online through Lloyds Commercial Banking and sign the payment details report (an extra layer of security is added with authorisers checking bank details to invoice within the payment run for all payments over £1,000, with lower amounts being sample checked).
- The payment is then passed to a second authoriser to again sample check and authorise and sign the payment details report.
- Once the run is approved it is passed back to the Finance Officer, Assistant or Apprentice who then files it in a secure filing cabinet that only members of the finance team have access to.
- The invoices are filed in payment date order by BACS payment processed, the Sage finance system has invoices scanned in for ease of viewing.

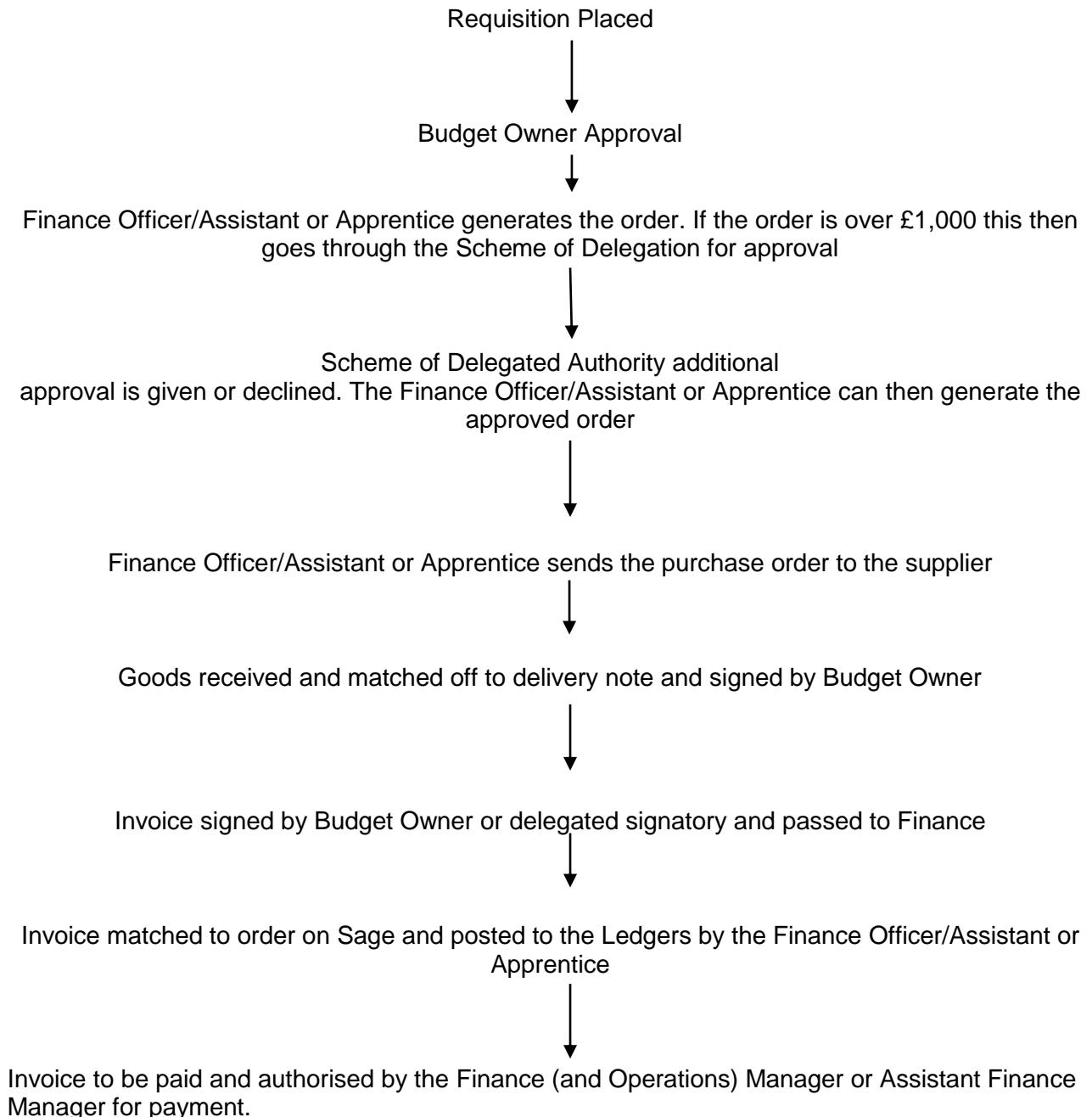
Services supplied to each academy go through the same process for posting but the docket left by the company is treated like a delivery note and signed accordingly.

Invoices and paperwork for returned or missing goods are placed in a hold file until resolved. The Finance (and Operations) Manager/Assistant Finance Manager checks weekly for an update on conclusions to invoices and orders in dispute to ensure a timely resolution.

Supplier statements are checked to the individual supplier accounts and any missing invoices or payments are chased up accordingly and the statement is then scanned and saved onto the supplier account for audit purposes.

There may be extenuating circumstances to which a 'Faster Payment' is required to secure goods/services. This is solely under the discretion of the (Executive) Principal or CFO but requires the same level of budget owner approval, however the payment can be sent through a quicker system. The payment still requires two online approvers on the bank system. Faster payments should be avoided but may be done as a last resort. The Finance Controller or Finance (and Operations) Manager can authorise faster payments up to £5k, values above this should be approved by the CFO.

A Guide to the Purchase Process:



Related party transactions (RPT)

FRS 102 requires all transactions with related parties to be disclosed in the accounts so that users can gain a full understanding of them and of issues that might have influenced them. Disclosure provides accountability and transparency to the public and demonstrates that potential conflicts of interest are being identified and reported, as stated in the Academies Accounts Direction.

The CFO is responsible to assess the declaration of interests and identify any related party and ensure these transactions are identified and reported, gaining approval from the ESFA where necessary before entering into the contract or service.

Any transaction that classes as an RPT the academy trust must:

- Include a statement that, where contracts for goods or services exceeding £2,500 cumulatively in the year, the element above £2,500 has been provided at no more than cost.
- Gain a statement of assurance from the RPT to the academy trust confirming this.
- Academy trusts must report all transactions with related parties to ESFA in advance of the transaction taking place.
- Academy trusts must also obtain ESFA approval for contracts for the supply of goods or services to the trust by a related party where certain limits apply.

17. Procurement and Tender Procedure

17.1 Procurement

As set out in the Scheme of Delegated Authority there are limits for approving purchases but also the obligations Trinity MAT has as a public body in securing contracts under the OJEU Public Contract Regulations 2006. The threshold is reviewed annually in January of each year. For purchases over £100,000 each academy will adhere to these regulations and seek external professional support when necessary.

For purchases less than £1,000 then a preferred supplier can be used.

For purchases £1,001 - £5,000, three written quotes must be acquired unless agreed by the CFO and/or (Executive) Principal. Evidence of this process must be sent to the Finance (and Operations) Manager and logged for audit purposes.

For purchases £5,001 - £25,000, a minimum of three written quotes must be acquired. Evidence of this must be sent to the Finance (and Operations) Manager and logged for audit purposes. This amount of spend must be approved by the Local Governing Body.

For purchases £25,001 - £50,000 a minimum of three written quotes must be acquired. Evidence of this must be sent to the Finance (and Operations) Manager and logged for audit purposes. This amount of spend must be approved by the Accounting Officer and CFO. OJEU rules may apply also.

For purchases £50,001 or above a formal tender process of the requirements are sent to selected suppliers who are invited to bid for the works or supply of services to each academy. If the amount of the contract is over the OJEU threshold each academy will follow the process as set in the public bodies regulations. The Finance (and Operations) Manager will document this for audit purposes. The bids for tender will be judged on their merits covering the specification as per the tender document and the Value for Money it provides each academy. Each academy may not necessarily choose the cheapest option but will choose the best option for each academy and will document its decision for audit purposes. This amount of spend must be approved by the Board of Directors.

17.2 Tender Document

An invitation to tender document is prepared when a contract for services or supplies is needed. It is sent to companies inviting them to submit a tender to each academy. It should include the following:

- Introduction – general information about each academy and what services/supplies are required.
- Instructions to Tender – on who to contact should there be any questions and also how to submit the tender.
- Freedom of Information (FOI) – the adherence of the FOI act and how information will be treated.
- Evaluation Criteria – the factors in which the bid will be judged.
- Site Visit – the tendering contractors are invited to visit each academy to get a better understanding of the requirements.
- Short-Listed Tenders – explanation of the requirements of short-listed companies in regards to the product or service offered. This may include an invitation to present their tender details to a panel made up of a member of the Audit Committee, the CFO and the Accounting Officer.
- Declaration – a section for signatures stating what information has been provided by the tendering contractor is true and correct.

18. Sales Invoicing

18.1 Types of invoice and frequency

The majority of income into each academy is grant money from the ESFA. This is for the day-to-day operations of each academy to pay for staffing and building running costs to provide an education for the students that attend it. Each academy can use the facilities it has (when not in school use) to raise extra forms of income through external hire and will always review the possibilities of increasing any forms of viable income streams that don't impact on the day-to-day school activities. Each academy operates alongside the 'Charging for School Activities' Notice published by the ESFA on an annual basis.

18.2 Music Lessons

All academies can provide a part-subsidised service of peripatetic lessons in singing, guitar, piano, woodwind, brass, drums and/or equivalent instruments. The rate per instrument per academy will vary based on the academy, staff cost and staffing capacity. The invoices are raised towards the end of each term, relating to the next term and payment must be received by the date set out in the payment schedule, in order for the student to be able to continue on the programme. The level of subsidy and review of the subsidy is delegated to the CFO.

The discretion of how to coordinate the production of sales invoices is delegated to the Finance (and Operations) Manager/Assistant Finance Manager in each academy, as long as students pay in full to avoid the risk of being removed from lessons. ParentPay and any other suitable forms of payment mechanism are acceptable forms of managing payment of lessons.

18.3 Lettings and Hire

Each academy can make use of its facilities out of academy hours in order to raise additional income for the benefit of their students. The lettings are managed by a Sports and Lettings Manager, the Site Team or any other qualified person in accordance with the Charging Remissions Policy. The invoice frequency is at the time of the booking. Prompt payment is expected to ensure bookings can be confirmed and held for the relevant party.

If academy facilities are used for extra-curricular clubs or out of school enrichment the application of a charge is at the discretion of the (Executive) Principal.

Any form of 'before' or 'after' school club are dependent on need and are managed by the Finance (and Operations) Manager in each academy. The charges are at the discretion of the (Executive) Principal of each academy.

18.4 Equipment and Damage to Academy Property

On occasion it is necessary that each academy will invoice students, parents and/or staff for lost or damaged equipment of a negligent nature. Under the Education Act 1996 section 7 each academy reserves the right to charge the cost or replacement fee for such items. All invoices will be at cost plus any applicable administration charge and the relevant VAT rate applied.

18.5 Customer Set-up

When it is necessary a new customer needs to be set up on Sage, the following procedure is applicable:

Go to the Customers section on Sage



Customer List



Click on New Account



A new customer section is available to insert the following information:

- Account Number (six digits e.g. TAH001)
 - Name
 - Address
 - Contact Details
 - Trading Information



Click on Save

18.6 Invoice Process

We are increasingly starting to invoice out for elements of our skills and expertise. The invoices could be in the form of CPD offered to external providers, deployment of staff through the Teaching Institute of Education, hire of our external facilities, internal music lessons etc.

Below is a processing example, using music lessons for Trinity Academy Halifax is:

- A list of students is sent from the Music department of those attending peripatetic lessons.
- The music department cross references the list against Bromcom to check that no student who is in receipt of Free School Meals is invoiced in error.
- The Finance Officer/Assistant makes sure the parent/carer is set up on Sage as a customer.
- On the Finance system, go to Invoicing Tab and then Invoicing List.
- Go to Enter New Invoice.
- Select the Customer.
- Go to Lines, complete the Line Type, ensuring this is the correct income code. Complete the description e.g. term number and child's name, type in the price, £25.00, ensure the

department/budget is correct and that the correct VAT code is applied and then click save.

- Go to Invoicing List section.
- Click on the document required e.g. Invoice or if needed Credit Note.
- Highlight the document and click Print, after checking details are correct then save.
- Go back to the Invoicing List, highlight the document and click Post. At this point the invoice is updated to the Customer account.

19. Debtors Procedure

The Sales Ledger is analysed twice a month by the Finance Officer or Assistant, who highlights any outstanding debts to the Finance (and Operations) Manager/Assistant Finance Manager. Payment is expected within our standard payment terms which are 30 days unless other payment terms have been specifically agreed by the CFO.

If debts become overdue and are looking unlikely to be cleared and received the process is stated below:

- Overdue Payment – a phone call is made to the debtor by either the Finance Officer/Assistant/Assistant Finance Manager or the Finance (and Operations) Manager.
- First Letter Reminder – sent on behalf of the CFO notifying the debt is overdue and payment is required as soon as possible.
- Second Letter - Final Notice prior to Court Proceedings – a strongly worded letter highlighting that the debt has not been paid and we intend to take further action should it not be settled.
- Third Letter – Notice of Intended Court Proceedings – notice that the academy intends to initiate court proceedings to reclaim the debt.
- Initiate Small Claims Court Proceedings – if the debt still isn't cleared or there is no indication or attempt to clear the outstanding debts each academy will apply to the small claims court to settle the matter on our behalf.
- If monies are outstanding and court proceedings haven't cleared the debt, the discretion to write off bad debts is held with the CFO (within the Scheme of Delegation).

19.1 Facilities Hire

Use of each academy facilities are promoted for community use (as per our Articles of Association) and to offer an extra income stream to each academies budget. We appreciate that all academies have different facilities available and the ownership to manage the full process is delegated to the (Executive) Principal of each academy who may in turn delegate to the Finance (and Operations) Manager or another suitably responsible role (e.g. Sports and Lettings Manager or Site Manager).

It is the responsibility of the (Executive) Principal to ensure a policy for external hire is established, approved by the academy local governing body and adhered to for that academy. The policy may form part of the Charging and Remissions Policy or be a totally separate document. As stated above, the Principal may delegate this responsibility accordingly but it will still need approving by the academy local governing body.

The chasing of debts should follow the same process to the one stated in the 'Debtors Procedure' stated above and the overall review of the use of facilities will form part of the internal audit cycle as stated in 9.2 above for review and to offer recommendations (as applicable).

20. Cash – Petty Cash and Cash Handling

20.1 Petty Cash

Each academy is responsible for the amount of petty cash floats they hold. Usually in a secondary school we advise up to four petty cash floats... Catering (£100.00 float), Principals' PA (£200.00 float), Student Services (£40.00 float) and Finance (£500.00 float). The requirements will all depend on the need for cash items to be purchased to ensure the provision cannot be restricted by a lack of petty cash.

All petty cash boxes must be secured in a locked area and reconciled on a regular basis. The Student Services petty cash is usually the most popular used and is reconciled on a daily basis as this has the most transactions processed through it. The Finance petty cash is reconciled on a monthly basis and all the others are termly or annually due to the minimal use. It is the responsibility of the Finance (and Operations) Manager/Assistant Finance Manager to ensure the petty cash tins balance so the end of year cash and cash equivalents balance is accurate.

Any discrepancies in each tin are to be reported immediately and resolved through review with the finance department, usually the Finance (and Operations) Manager. All petty cash floats are collected at the end of the academic year for the year end reconciliation and reported centrally to ensure a year end cash position is arrived at.

Cash reimbursements are limited up to £50.00, amounts over that should be reimbursed via an expenses claim form paid into the employees' bank account. Only the CFO can approve beyond this figure paid by petty cash. All receipts must be signed by a budget owner to agree the expenditure.

Reconciliations are conducted by the Finance Officer and countersigned by the Finance (and Operations) Manager/Assistant Finance Manager. Any approvals out of the ordinary use of these funds must be approved by the CFO or (Executive) Principal of each academy.

Petty cash cannot be used to pay wages or subcontractors. Petty cash cannot be used to cash personal cheques. All petty cash is recorded and receipts attached for audit purposes.

There will be a conservative push towards a cashless system in our academies over the next 3 years providing it doesn't cause financial and payment problems for our most vulnerable students and parents/carers.

20.2 Cash Handling

Any other income that is received in each academy (not grant or invoiced) must be receipted. Each academy must utilise some form of receipt book (e.g. pre-numbered receipts book in triplicate). Then the payee, the trips administrator (or similar) and the receipt book all have a record of the receipt and transaction. It is preferable for minimal cash to be received in each academy with the use of ParentPay (or equivalent online platform) preferred, however, due to the specific cohort of students attending each academy this isn't always achievable.

The procedure for cash handling should be as follows:

- Parents/Carers send in cash/cheque for trips or other items e.g. PE kit.
- Students must hand in to Student Services (Student Finance or equivalent) during its opening hours of before the academy day, break times, lunchtimes and for a short time after the academy day.
- A receipt is issued from the pre-numbered receipt book (or equivalent).
- Receipts are balanced to the cash/cheques handed in on a daily basis.
- All cash/cheques are secured in a finance safe ready for banking.

- Banking is done on a regular basis by the Finance department. The Finance Officer/Assistant/Assistant Finance Manager or Finance (and Operations) Manager posts the receipts to Sage ensuring income is allocated to the correct budgets.
- Bi-weekly at varying times of the day a security firm come in and collect the money that has been balanced, bagged up and take it to the bank.

Due to workforce reforms no teachers or other support staff requested to handle cash.

Only the following members of staff are allowed the handle cash (other than petty cash tin holders):

- Members of the Admin Team manning Student Services.
- The Sports and Lettings Manager (or equivalent).
- A Member of the Finance Team.
- The Catering Manager and Deputy Catering Manager.

All income received by each academy must be accompanied by a remittance or other proof of its origins for audit purposes. If funds are ever received without details of what they relate to the Finance (and Operations) Manager will chase up and ensure a remittance is sent and filed accordingly.

A hard copy of Grant and Local Authority remittances are kept in the Budgets File and documentation supporting all other income is filed in the Income File. Where possible a scanned copy will be attached to the customer file on Sage to reduce the need for paper and filing space.

21. VAT – Types and Calculating

Each academy runs effectively as a trading name of Trinity MAT, an exempt Charity, that has certain exemptions from VAT as it is classed as an eligible body. VAT Notice 701/30 Education and Vocational Training published and updated on HMRC website is the basis used for most VAT decisions. The finance department will seek further professional guidance if they are unsure in regards to the application of VAT or not. The trust operates under a group VAT number and a central VAT return is submitted on a quarterly basis.

Below is a basic guide to applying VAT on Sales and Purchases (provided by RSM LLP VAT Director).

Type of income	Business Status	VAT Treatment
Administration and management services	Business	Standard rated for VAT
Admission charges to a theatrical, musical or choreographic performance of a cultural nature	Business	Exempt (subject to “eligible body” rules)
Advertising income from businesses	Business	Standard rated for VAT
Advertising income from charities	Business	Zero rated for VAT on the production of a qualifying certificate by the charity
After school and breakfast clubs (8-6) at or below cost	Non-business	Outside the scope of VAT
Type of income	Business Status	VAT Treatment
Car parking charges to students at or below cost	Non-business	Outside the scope of VAT

Type of income	Business Status	VAT Treatment
Car parking for staff and general public	Business	Standard rated for VAT
Charges for school entertainment events such as proms	Business	Standard rated for VAT
Charges made for education	Business	Exempt
Consultancy income	Business	Standard rated for VAT
Donations	Non-business	Outside the scope of VAT
Educational School Trips provided at or below cost	Non-business	Outside the scope of VAT
Fundraising events	Business	Exempt provided the fund-raising event criteria are met
General merchandising; school memorabilia e.g. mugs etc.	Business	Standard rated for VAT
Let of car park to third party for car parking purposes	Business	Standard rated for VAT
Letting of general rooms including the provision of refreshments	Business	Exempt but Standard rated for VAT if option to tax exercised.
Letting of rooms for a catering event	Business	Exempt for room and standard rated for catering if charged separately otherwise fully taxable if the catering is the principal supply
Letting of sports facilities for booking by private individuals (or by members if a membership scheme is operated)	Business	Exempt
Letting of sports facilities to external clubs	Business	Exempt if the 24-hour let or series of lets condition apply
Meals and other catering provided to non-students – includes teaching staff and visitors	Business	Standard rated for VAT, but can be Zero rated if cold food (e.g. sandwiches) taken away from dining room for consumption elsewhere
Merchandise for use in the classroom: rulers, pencils, etc. provided at or below cost	Non-business	Outside the scope of VAT
Musical instrument hire schemes (AIPS)	Non-business	If provided at or below cost
Sale of books	Business or if closely related and sold at or below cost non-business	Zero rated or outside the scope
Sale of School Uniform	Business	Zero rated for clothing sizes up to age 14 (including logo'd clothing) otherwise standard rated.
Type of income	Business Status	VAT Treatment
Sale of sports equipment	Business	Standard rated for VAT
School meals provided to students provided at or below cost	Non-business	Outside the scope of VAT

Type of income	Business Status	VAT Treatment
School photograph commission	Business	Standard rated for VAT
School Trips (Educational purpose)	Non- Business	Outside the Scope of VAT
School Trips (Social/pleasure)	Business	Standard rated in UK/EU or Zero Rated if outside EU
Sponsorship – main academy	Non-business	Outside the scope of VAT
Sponsorship (commercial)	Business	Standard rated for VAT if the sponsor receives benefits in return. Otherwise Outside the Scope
Student accommodation / boarding provided above cost	Business	Exempt
Student accommodation/boarding provided at or below cost	Non-business	Outside the scope of VAT
Supply of staff to other organisations	Business	Standard rated for VAT
Supply of staff to other schools in the not for profit sector	Non-business	Outside the scope of VAT (if staff are used for non-business purposes)
Tuck shops	Business	Standard rated for VAT
Vocational training (where fees charged)	Business	Exempt
ESFA Grants	Non-business	Outside the scope of VAT

21.1 VAT Submission

Trinity MAT has a group VAT return which is submitted by the central MAT finance team. The VAT quarters are listed as follows:

Quarter 1 – September to November – Return Due by 7 January
 Quarter 2 – December to February – Return Due by 7 April
 Quarter 3 – March to May – Return Due by 7 July
 Quarter 4 – June to August – Return Due by 7 October

VAT Reports from each of the academies sales, purchases, non-trading and VAT transactions by VAT quarter are produced on Sage (at academy/subsidiary level) are then balanced to the trial balances. This is done centrally by the Finance Controller and is then consolidated for submission. Sage has a VAT consolidation function in which the reports are reconciled to reports produced. These reconciliations are saved in the MAT folder for audit purposes. Periods in which they cover are then closed on Sage on a monthly basis as part of monthly reporting. As Trinity MAT is registered for making tax digital (MTD) with HMRC the return is then submitted via the MTD Sage module. Access to this is strictly limited to the Finance Controller and Management Accountant.

All academies and trading subsidiaries are listed under a group VAT registration so that there are no duplications of VAT on any transaction within the trust.

If repayment is due from HMRC, once the repayment has been received the funds are transferred centrally back to each academy bank account via inter-account transfers.

22. Academy Meals – Reporting

The trust aims to run a cashless system in each academy for the sales of breakfast, break and lunchtime food. Whilst this is the aim to reduce the risk of the amount of cash on the premises at any one point it will depend on current contractual positions the academies find themselves in when they join the trust.

Students can either get their parents to log into ParentPay online (some other suitable online systems may be used until the end of their contract) to top up their accounts which are used via a form of identification card (or equivalent e.g. finger print).

The Catering Manager produces a Daily Reconciliation Report which details the sales for that day and reconciles it back to what amounts are left as balances on the students and staff accounts.

The Finance (and Operations) Manager then creates the Cash Book Sales Receipt which accounts for the VAT within staff meals and enters it onto the Sage system.

Any cash received is counted daily and bagged in a security bag with the relevant paying in slip ready to be collected for the bank. The cash is held within the main finance safe which only members of the finance team have the key for. Copies of the Daily Reconciliation Report are scanned to the system and kept for audit purposes. The original copy is destroyed in confidential waste.

This method is the ideal preferred method but the trust will accept academies operating a similar system if contractual agreements are in place as long as the process is effective, efficient and approved by the CFO.

23. Fixed Assets

All assets over the value of £1,000 are entered onto the Fixed Asset Register. The register is split into four sections, Land and Buildings, Motor Vehicles, ICT Equipment and Furniture and Equipment. Items are marked up with an asset number, details of which are held by either the ICT team or the finance team.

In accordance with FRS15 each academy applies depreciation. The following rates apply:

<u>Intangible Fixed Asset Group</u>	<u>Depreciation Basis</u>
Computer Software	4 years on a straight line basis £nil residual value

<u>Tangible Fixed Asset Group</u>	<u>Depreciation Basis</u>
Freehold Land and Buildings	50 years on a straight line basis £nil residual value
Leasehold Land and Buildings	50 years on a straight line basis £nil residual value
Leasehold Land and Buildings (Solar panels only)	25 years on a straight line basis £nil residual value
Leasehold Improvements	15 years on a straight line basis £nil residual value
Furniture and Equipment	8 years on a straight line basis £nil residual value
ICT Equipment	5 years on a straight line basis £nil residual value
Motor Vehicles	8 years on a straight line basis £nil residual value

For a more detailed overview please refer to the Fixed Assets Policy. In-year changes will be dealt with and documented in the Financial Statements for that year (e.g. Covid-19 DfE laptops programme).

Assets that are acquired by transfer to the MAT may mean that their original depreciation rates are honoured unless an impairment review is carried out.

Any large building and land assets that are transferred upon conversation/re-brokerage will be accepted at a value that is recent and as long as it is valued by a relevantly skilled valuer. This valuation is submitted for ratification/challenge to the Audit Committee prior to adoption. The Audit Committee has the autonomy to request skilled external valuations as required, that may include involving existing assets also depending on asset category.

24. Payroll Process

New Employees / Contract Changes

Payroll is not involved in the recruitment process. The process from placing of advertisements to issue of contracts of employment is the responsibility of the HR function.

The HR process is as follows:

Recruitment Requests

- HR leads will complete a recruitment request form and pass to finance leads
- Finance leads must complete the finance section of the form to confirm BPS vacancy details (**please use an alphabetical code (no numbers) in the surname as this pulls through to Edupay and is easily identifiable to HR when populating the data on Edupay**)
- The form must be signed off (either manually or an electronic signature) and then returned to the HR lead. This must be completed within 24 hours of receipt of the form from the HR lead
- A failure to complete and return the recruitment forms to the HR Lead will delay the advertisement of positions.

Instruction to Appoint

- HR leads will complete an instruction to appoint form and pass to finance leads
- Finance leads must complete the finance section of the form to confirm BPS vacancy details are accurate (start date, salary point etc – vacancy name **must not** be changed). The form **must be** signed off (either manually or an electronic signature) and then returned to the HR lead. This must be completed within 24 hours of receipt of the form from the HR lead
- A failure to complete and return the instruction to appoint form to the HR Lead will delay offer letters being issued
- Central HR will ensure the vacancy in Edupay is updated to reflect the details of the appointed candidate

Contract Change

- HR leads will complete a contract change form and pass to finance leads
- Finance leads must complete the finance section of the form to confirm BPS details have been updated to reflect the contract change (i.e. change in salary point, change in hours). The form **must be** signed off (either manually or an electronic signature) and then returned to the HR lead. This must be completed within 24 hours of receipt of the form from the HR lead
- A failure to complete and return the contract change form to the HR lead will delay in letters being sent to staff to confirm changes.

New employee's data set up on EduPay

- HR will input all the information for the new starter, converting the vacancy to an employee name and insert all the relevant personal information, including Manager (for holiday and overtime authorisations)
- Payroll Manager will insert HMRC data, derived from the new starter form and a P45, including Tax code, Student Loan info, W1M1 or cumulative and year to date figures.
- Payroll Manager will ensure that the correct pension fund is set up
- If no P45 exists, use the code 1250L and tick W1M1.

Monthly Process

1. Leavers

When an employee resigns HR will inform the Finance (& Operations) Manager who will update their monthly payroll schedule and update BPS with the leaving date.

2. Timesheets / Overtime

Timesheets are filled in by employees through the EduPay website or App. This will trigger an email to their manager who can either authorise or query their timesheet. All authorised timesheets appear automatically on EduPay.

3. Any other changes

Any other changes to pay including ad hoc payments or deductions will be listed on the spreadsheet sent from the Finance Leaders in each institution to the Payroll Manager monthly. This is prepared and passed to the payroll inbox which is payroll@trinitymat.org by the 10th of every month.

4. Paternity and Maternity Pay

Ensure that the calendar elements of the employee record in EduPay have been filled in correctly with the dates that the Maternity / Paternity is to commence. EduPay will accurately calculate the payments necessary. If the Paternity pay spans two periods, check that the calculation is recorded correctly, if not an adjustment may be necessary to account for this.

5. Childcare Vouchers and Cycle to work schemes

These are salary sacrifice schemes that Trinity MAT offer. HR complete a spreadsheet for any new joiners to the cycle to work scheme, these can be processed once on EduPay and the deductions will be taken for the 12 month duration. Changes to childcare vouchers are advised through our 3rd party childcare administrator Kiddivouchers.

6. AVC Pension contributions

Some employees choose to pay more into their pension via additional voluntary contributions (AVC). The Payroll Manager will process the deductions and inform the Finance (& Operations) Managers who will send the data off to the various bodies.

7. Attachment of Earnings (AOE)

If notice is sent to deduct payments from salary these will be processed on EduPay by the Payroll Manager.

8. Processing Payroll

Once all the above have been processed in EduPay the Payroll Manager is responsible for running the payroll monthly. In EduPay in each Academy separately, click pay run and choose the appropriate month.

Check the Gross and Net pay differences from last month and identify why the differences have occurred.

9. Authorisation & Segregation of duties

- When the Payroll Manager is happy that all changes have been logged for the month, they produce a payroll summary report.
- This report is converted to excel and sent to the Finance (& Operations) Managers to load into BPS to produce a Payroll reconciliation.
- Take the payroll summary file save this as a CSV (comma delimited) file (when you try to save, it will tell you that some features will be lost, but that's ok just click yes)
- Then go into BPS, employees, payroll reconciliation
- Choose your Edupay scenario
- Click add
- Type in the description i.e. Sept 2020 Reconciliation
- Choose the relevant period
- Select file - pick up your CSV version payroll summary and click upload
- Click generate summary comparison and at the bottom click save
- Notes can be added as usual in the comments box, and these will appear on the report
- The only variances now should be, maternity, overtime and deductions

All variances more than 5% must be explained and this is sent to the Principals for authorisation.

Once the principals have authorised the gross pay, the Payroll Managers cannot perform any further changes and the pay run must be locked.

10. Payment of Salaries (Net Pay)

Once authorisation is received from Principals, in each academy the Payroll Manager will click on pay run and pay now.

Then click on reports, BACS and generate the salary BACS report.

The BACS file should be saved in the U drive, Finance & HR, Finance, Payroll, EduPay and then the relevant month and academy.

Once alerted an identified Finance Officer in the trust will load these payments to the relevant academy banks and the appropriate authorisation as per the MAT Finance Policy will be adhered to.

11. Processing & Posting the Payroll Journal into Sage

In Edupay, Reports, Payment, choose Sage for Education journal.

Download as excel, and ensure that all lines have an Account cost centre (i.e. GAG), Account Department (budget code), and Account number (nominal code).

The payroll control nominal only code needs to be inserted 360100.

Add any intercompany staff recharges here too.

In Sage, import records, nominal, import nominal account file, data to import – choose nominal transactions and validate records only.

Pick up your journal (ensure that the journal is not open on your screen)

Check nothing has been posted to suspense, if so amend and re import.

Once happy click validate and import records.

12. Teachers' Pension MCR & Payments

Log on to the Teachers' Pension scheme website

Use MAT code 750/0719

Download the Monthly Contribution Reconciliation report from the Downloads STU.

Populate the file with data from the EduPay MCR report.

Save this file and upload to the Teachers Pensions website, confirmation will be received as to whether the file has been accepted.

Once accepted a BACS file can be created (as above for salaries but choose Pension). Once alerted the identified Finance Officer will load these payments to the TAH bank and the appropriate authorisation as per the MAT finance policy will be adhered to. Payments must be received by the Teachers' pension by the 15th of the month.

13. West Yorkshire Pensions Reporting & Payments

A monthly report is generated from EduPay.

A report is created for each academy and then consolidated into one excel spreadsheet that shows an overview of payments made by the employee and the employer.

Once this is completed generate the BACS file (as above), check the total shown on the BACS matches the total shown on the spreadsheet. Once alerted the Finance Officer will load these payments to the relevant academy banks and the appropriate authorisation as per the MAT Finance Policy will be adhered to.

14. HMRC payments & Reporting

Full payment submissions and Employer payment summary are sent automatically from EduPay.

Payments must be made to HMRC by the 22nd of the following month.

HMRC reports must be printed from EduPay and a corresponding BACS file created as above, choosing HMRC.

Once alerted the Finance Officer will load these payments to the relevant academy banks and the appropriate authorisation as per the MAT Finance Policy will be adhered to.

Any queries / letters from HMRC must be dealt with immediately to ensure no interest is incurred.

15. Third Party and AOE payments and reporting

Any AVC or AOE BACS files must be created, with accompanying reports from EduPay. Once alerted the Finance Officer will load these payments to the relevant bank and the appropriate authorisation as per the MAT Finance Policy will be adhered to.

16. P45's

After payroll is completed P45's are processed for any leavers, these can be accessed by the employee via their EduPay app.

17. Payroll control reconciliation

As part of the monthly accounts cycle, payroll control must be reconciled and any variances must be investigated immediately.

18. Over / Under payments

If after running payroll it is discovered that there have been under / overpayments to staff, these must be addressed immediately.

Underpayments – The employee must be offered a faster payment (on pay day or the next closest day) net pay payment of the amount missing or an option for this to be included in the next pay.

Overpayments – The employee must be written to either via email or letter and the overpayment explained. If the employee is still employed depending on the amount to be reclaimed this can be recouped over a reasonable time frame to suit all parties.

25. Fraud Response Plan (FRP)

25.1 Introduction

Fraud is a very serious matter and the Board of Directors via the Audit Committee are committed to investigating all cases of suspected fraud. Any member of staff, regardless of their position or seniority, against whom evidence of fraud is found, will be subject to disciplinary procedures that may result in dismissal. Each academy will inform official professional bodies as required (the DfE/ESFA and the police) and may seek compensation via court proceedings.

Each academy is committed to trying to prevent fraud and will continue to ensure its internal controls are adhered to and that all new members of staff are aware of these controls and procedures. A continuous review of systems by the internal audit function may deter attempted fraud and should result in continuous improvements through the recommendations received.

Each academy is responsible via the (Executive) Principal to maintain an Operational Risk Register specific to their institution which is submitted to their Local Governing Body for review and monitoring. Items that have a 'red' residual risk are reported up to the Audit Committee by exception by the Chief Operating Officer (COO) so the Board are aware of the risk each individual academy is facing at an operational level. This is done in communication with the COO and the Chief Finance Officer (CFO) during the production of the Strategic Risk Register (SRR).

The SRR is compiled by the CFO and is submitted to the Audit Committee. This committee plays an important part in the monitoring of fraud and the risk it represents to the trust. Similarly, the 'Risk Management Policy' and 'Statement of Risk Appetite' play an important part in the risk aversion attitude of the trust and work in conjunction with this element of the Finance Policy. The Audit Committee have to ensure they approve and monitor the SRR and act accordingly to mitigate any risk facing the trust. Any elements of fraud are reported directly to the Board of Directors.

The Senior Management Group are aware of their responsibility to recognise and identify any areas of potential fraud, the ESFA's anti-fraud checklist (see appendix 8) is used as a checklist to identify potential fraud or highlight gaps in internal controls.

25.2 Definition of Fraud

For the purposes of this plan, fraud is defined as dishonest, irregular or illegal acts, characterised by a deliberate intent at concealment or false representation, resulting in the diversion of resources, whether or not for personal gain, for the benefit of an individual or group of individuals at a consequent loss to each academy.

25.3 Purpose of FRP

The purpose of the fraud response plan is to define authority levels, responsibilities for action and reporting lines in the event of suspected fraud or irregularity. Those investigating a suspected fraud should:

- Aim to prevent further loss.
- Liaise with the MAT's insurers via the CFO.
- Establish and secure evidence necessary for criminal and disciplinary action.
- Inform the police.
- Notify the DfE/ESFA
- Endeavour to recover losses.
- Take appropriate action against those responsible.

- Keep internal personnel and outside organisations that need to know suitably informed, on a confidential basis, about the incident and each academy's response.
- Deal with requests for references for employees disciplined or prosecuted for fraud.
- Review the reasons for the incident, the measures taken to prevent a recurrence, and any action needed to strengthen future responses to fraud.

25.4 Initiating Action

Members of staff, students or members of any part of Governance may suspect fraud or irregularity in each academy. If so, they should report it as soon as possible to the CFO, the Accounting Officer and/or the COO. The person to whom the suspected incident is reported to should then ensure that it is made known to the collective group and the Chair of Audit Committee.

The CFO should, as soon as possible, chair a meeting of three people of the following group (known as the Fraud Response Team – FRT) to decide on the initial response, using properly appointed nominees where necessary:

- Accounting Officer
- COO
- CFO
- Chair of Audit Committee

If the actual or suspected incident concerns or implicates a member of this group, the Chair of Board of Directors or Vice Chair of the Board will appoint a substitute.

25.5 Responsibility for Investigation

The FRT will then meet a second time chaired by the Chair of the Audit Committee and will decide on the action to be taken. This will normally be an investigation led or directed by the Chair of Audit Committee who may use internal auditor resources to assist the investigation. The Chair of the Board of Directors is kept out of this process in the event of any kind of appeal process.

25.6 Prevention of Further Loss

Where initial investigation provides reasonable grounds for suspecting a member(s) of staff, governors or others of fraud, the FRT will decide how to prevent further loss. This may require the suspension of the suspect(s), under the appropriate disciplinary procedure. It may be necessary to plan the timing of suspension to prevent suspects from destroying or removing evidence that may be needed to support disciplinary or criminal action.

In these circumstances, the suspect(s) should be approached unannounced. They should be supervised at all times before leaving each academy's premises. They should be allowed to collect personal property under supervision, but should not be able to remove any property belonging to each academy. Any security passes and keys to premises, offices and furniture should be returned. The Premises Manager should be required to advise on the best means of denying access to each academy while the suspect(s) remain suspended.

Similarly, the ICT Director should be instructed to withdraw without delay any access permissions to each academy's computer systems. The FRT will consider whether it is necessary to investigate systems other than that which has given rise to suspicion, through which the suspect may have had opportunities to misappropriate each academy's assets.

25.7 Establishing and Securing Evidence

Each academy will follow disciplinary procedures against any member of staff or governor who has committed fraud and will normally pursue the prosecution of any such individual through the criminal courts. The CFO or COO (in the absence of the CFO) will:

- Ensure that evidence requirements are met during any fraud investigation.
- Establish and maintain contact with the police.
- Ensure that staff involved in fraud investigations are familiar with and follow rules on the collection of any documentation and other evidence in criminal proceedings.

25.8 Reporting Lines

The FRT will provide communicate regular, update reports to the collective FRT for common awareness and action minutes, which will include:

- Quantification of losses.
- Progress with recovery action.
- Progress with disciplinary action.
- Progress with criminal action.
- Estimate of resources required to conclude the investigation.
- Actions taken to prevent and detect similar incidents.

25.9 Notifying the Department for Education (DfE) via the ESFA

Each academy and more specifically the CFO or Accounting Officer will notify the DfE/ESFA of any attempted, suspected or actual fraud or any irregularities as per the guidance in the Academies Trust Handbook.

25.10 Recovery of Losses

The Chair of Audit Committee will endeavour to ensure that the amount of any loss is quantified and that repayment of losses will be sought in all cases. Where the loss is substantial, legal advice should be obtained about the need to freeze the suspect's assets through the court, pending conclusion of the investigation. Legal advice may be obtained about prospects for recovering losses through the civil court, if and when the perpetrator refuses repayment. Each academy will normally expect to recover costs in addition to losses due to fraud via the court process.

25.11 Final Report

On completion of the special investigation, a written report, normally prepared by the CFO (or Accounting Officer, or Chair of Audit Committee) shall be submitted to the Board of Directors containing:

- A description of the incident, including the value of any loss, the people involved, and the means of perpetrating the fraud.
- The measures taken to prevent a recurrence.
- Any action needed to strengthen future responses to fraud, with a follow-up report on whether the actions have been taken.
- The final outcome will be reported to the complainant.

25.12 References for Persons Disciplined or Prosecuted for Fraud

Any request for a reference for persons disciplined or prosecuted for fraud must be referred to the CFO, CEO and the Chair of BoD for advice.

Date adopted by Board of Directors	September 2021
Date for full implementation	September 2024
Date for review	September 2024
Lead Professional	Chief Finance Officer

Trinity Multi Academy Trust (MAT)

TERMS OF REFERENCE FOR BOARD OF DIRECTORS

Authority & Purpose

The Board of Directors (the “BoD”) are the Directors of the charitable company for the purposes of company law and are responsible to the “Members” of Trinity Multi Academy Trust (“Trinity MAT”).

The overall purpose of the BoD is:

- To advance for the public benefit education in the United Kingdom by offering a broad and balanced curriculum as per the ‘Object’ of Trinity MAT. The Directors shall exercise duties and powers as set out in the Academy Trust’s Articles of Association, Funding Agreements and in compliance with relevant legislation at the time in order to achieve this fundamental purpose.
- To expend the funds of Trinity MAT in furtherance of the ‘Object’ as they consider most beneficial.
- To enter into contracts on behalf of Trinity MAT.
- To consider any advice given to them by the Chief Executive Officer (CEO) or any other executive officer.
- To abide by the requirements of and have due regard to the guidance in the Academy Trust Handbook including approval of the annual budget each academy financial year.
- To prepare and submit Annual Accounts Report and Return, audited by independent auditors, to the Secretary of State and publish them on the trust website.
- To take responsibility for establishing any committee they deem appropriate and to regulate their proceedings (for example the Audit Committee who are responsible for all elements of risk, external and internal audit matters and performance quality of the internal and external audit services).
- To establish Local Governing Bodies and to regulate their proceedings.
- To appoint the CEO and Principals of the Academies and to delegate powers and functions to any Director, Executive Officer, Governor, Committee or Principal as they consider desirable.
- To have the right to intervene in the governance of an academy where it has serious cause for concern in student performance, student safety, financial mismanagement or ineffective Governance or management.

Composition and Quorum

As per the Articles of Association the constitution, membership and proceedings of the BoD shall be determined as follows:

- The number of Directors shall be not less than three, but not subject to any maximum.
- The Members shall appoint up to 8 Directors, up to 6 of which to be appointed by Diocese of Leeds.
- The Members may appoint Staff Directors (including the CEO) as long as the total number of Directors that are employees of Trinity MAT does not exceed one third of the total number of Directors.

- Parent Directors shall be elected or appointed if the Directors have not appointed Local Governing Bodies (LGB's) in which there should be a minimum of 2 Parent Governors.
- The CEO is a Director for as long as he or she remains in office.
- The Directors may Co-Opt Directors (up to a maximum of 2) for up to four years (with the consent of WDUT)

The BoD shall for each year elect a Chairman and Vice Chairman from among their number (an employee of Trinity MAT is not eligible for election). The person shall cease to hold office if:

- They cease to be a Director
- If they are employed by the Company
- If they are removed from office as per the Articles, or
- In the case of Vice Chairman, they are elected to fill a vacant Chairman role.

Where the Chairman is absent from any meeting, the Vice Chairman shall act as Chair, if both are absent then the Committee shall elect one of their number to act as Chairman. The clerk shall act as Chairman during any part of a meeting at which the Chairman is elected.

The Clerk shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit, and any Clerk may be removed by them. The Clerk shall not be a Director or a Principal. If the clerk fails to attend a meeting, the Directors may appoint any one of their number or any other person to act as Clerk for that meeting.

Meetings

The quorum for a BoD meeting shall be three, or, where numbers are greater, any one third (rounded up) of the total number of Directors holding office at that meeting.

The quorum for either appointing a parent Director, voting to remove a Director or voting to remove the Chairman shall be two-thirds (rounded up) of the persons who are at the time entitled to vote on those matters.

The BoD must meet at least 3 times a year convened by the Clerk and the Clerk shall comply with any direction from the Directors or the Chairman.

Any three Directors may, by notice request a meeting of the BoD and the Clerk should convene the meeting as soon as is reasonably practicable. Directors shall be given seven clear days' notice before the date of a meeting and a copy of the agenda at that time.

Every question to be decided at a meeting of the Directors shall be determined by a majority of the votes of the Directors present and voting. Each Director has one vote and the casting vote in the event of a tie falls with the Chairman.

Committees and Advisors

The BoD may appoint separate committees to be known as Local Governing Bodies for each Academy, and may establish any other committee as set out in the Articles. The constitution, membership and proceedings of these committees shall be determined by the Directors. Each Committee (not including LGB's) must have a majority of members that are Directors.

For LGB's the Directors shall ensure they must include at least 2 elected parent representatives.

The BoD can regulate the functions and proceedings of the LGB's from time to time.

Delegation of Powers to Committees, Advisors, Governors and the CEO

Subject to the Articles and the Companies Act 2006 the business of the Company shall be managed by the Directors who may exercise all the powers of the Company.

The BoD shall agree the delegation of functions to Trust Committees, LGB's and the CEO at the first meeting of the BoD each year. The Scheme of Delegation shall be detailed in Annex 1.

The BoD **may not** delegate the following governance responsibilities:

- Approve BoD Terms of Reference
- Approve BoD Scheme of Delegation
- Approve further academies to join the Trust.
- Establish Trust Committees and their Terms of Reference
- Approve LGB Terms of Reference
- Elect (and remove) the BoD Chairman
- Remove the Chair of a Local Governing Body
- Appoint (and remove) member of Trust Committees
- Appoint Board Advisors
- Appoint the Clerk to the BoD
- Organise the calendar of the BoD and LGB meetings.

The BoD **may not** delegate the following strategic and financial responsibilities:

- Approve the BoD Strategic Plan
- Approve Academy performance targets and performance review.
- Appointment of the CEO
- Approve Trust financial regulations and procedures
- Approve Trust and Academy Annual budgets
- Approve the expansion or extension of provision for an Academy
- Approve Trust Admissions policies

Appointments

The Directors shall appoint the CEO as Accounting Officer with personal responsibility to the BoD for:

- Financial and administrative matters
- Ensuring regularity and propriety
- Avoidance of waste and extravagance
- The efficient and effective use of available resources, and
- General management of the Academy Trust and its employees.

The Directors would delegate the process of appointing an Academy Principal to an LGB of that academy. The panel shall include up to 3 Governors, the CEO and a Director but have the overarching right not to approve the recommendation by the LGB of an appointment.

The Directors may appoint a Company Secretary who shall not be a Director nor a Member. In the absence of this appointment one of the Directors will be appointed to carry out the Secretary functions of keeping registers of Directors and Members, filing documents at Companies House, ensuring that the BoD acts within its powers and that decisions are communicated and notified to the relevant bodies.

The Directors may appoint a Clerk who shall carry out the functions of keeping a book of the minutes of the Directors meetings, sending out notice of meetings 7 days prior and ensure due attention to the conflicts of interest that could arise.

Directors Expenses

The Academy Trust shall reimburse exceptional out of pocket expenses incurred by Directors in line with the relevant policy.

General authority and scope

- The BoD is authorised to investigate any activity of the trust within its terms of reference and in accordance with any advice or guidance received. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any reasonable request made by the Committee.
- Following prior consultation with the Chair of the BoD and, where appropriate, the CEO, the Board or one of its Committees is authorised to obtain legal or other professional advice which is relevant to its purpose, as it deems necessary and within the relevant budget allocation (if any) allowed for those costs in each year.

Emergency authority and scope

In exceptional circumstances, for which an emergency exists or time is of essence the Chair and Chief Executive have authority to act in the best interests of the Trust to take emergency decisions on behalf of the BoD, but are required to report back to the BoD at their earliest opportunity to appraise the BoD of the decision taken – including the rationale behind the decision too.

Review

- The Board has approved these Terms of Reference and they will bind the Board from Monday 5th July 2021.
- At least every year, the BoD shall review its structure, delegated responsibilities, reporting arrangements, terms of reference and effectiveness report including any recommendations for changes which are to be acted upon.

Appendix 2



Trinity MAT

TERMS OF REFERENCE

FOR

AUDIT COMMITTEE

1. Authority & Purpose

- 1.1 The Audit Committee (the “Committee”) is a sub-committee of the Board of Directors (BoD) of Trinity Multi Academy Trust (“Trinity MAT”).
- 1.2 The overall purpose of the Audit Committee is:
 - To promote the development of effective internal controls, risk management and value for money framework which support the delivery of Trinity MAT’s strategic aims and objectives. This will enable the BoD to maintain overall control and consistency of approach.
 - To take responsibility for external and internal audit matters, oversee the work programme and performance quality of the internal and external audit services.
 - To support the BoD in ensuring that a framework is established and maintained for the identification and management of risk and assurance.
 - To support the BoD and all local governing bodies in providing an added level of scrutiny in the monitoring of internal and external audit matters, risk management, fraud prevention/detection and internal controls.

2. Composition and Quorum

- 2.1 As per the Articles of Association the constitution, membership and proceedings of any committee shall be determined by the Directors.
- 2.2 The membership of any committee of the Directors may include persons who are not Directors, provided that (with the exception of the Local Governing Bodies) a majority of members of any such committee shall be Directors.
- 2.3 Specialists may be co-opted as Directors to provide particular expertise as and when required, to be approved by the BoD. The Directors may not co-opt an employee of Trinity MAT if thereby the number of Directors who are employees would exceed one third of the total number of Directors including the CEO.
- 2.4 The Audit Committee shall for each year elect a Chairman and Vice Chairman from among their number (an employee of Trinity MAT is not eligible for election). The person shall cease to hold office if they cease to be a Director, if they are employed by the Company, if they are removed from office as per the Articles or in the case of Vice Chairman they are asked to fill a vacant Chairman role.
- 2.5 Where the Chairman is absent from any meeting, the Vice Chairman shall act as Chair, if both are absent then the Committee shall elect one of their number to act as Chairman. The clerk shall act as Chairman during any part of a meeting at which the Chairman is elected.

3. Meetings

- 3.1 The quorum for a Committee meeting shall be two, at least one of which must be a non-executive member of the BoD.
- 3.2 The Committee must meet at least 3 times a year and its proceedings and decisions shall be reported to the BoD.
- 3.3 The Committee shall abide by all the rules relating to the calling of meetings and the conduct of business contained in the Articles of Association.

4. Duties and Responsibilities

4.1 The principal duties of the Audit Committee are:

- To provide assurance that there is effective control and risk management by ensuring there are adequate systems of internal control and risk management in place and by monitoring the effectiveness of those systems.
- Reviewing and advising the BoD on internal control systems for enhancing fraud resilience and to consider reports in relation to allegations of fraud and reports of suspicious activity in relation to money laundering and any other such exceptional issues.
- Reviewing arrangements by which employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters (whistleblowing) and specifically to receive any concerns raised through these procedures that concern the CEO or their delegated officer in respect of the whistleblowing arrangements.
- Reviewing arrangements and confirming processes for regulatory returns and reports on behalf of the BoD.
- Monitoring the implementation of approved recommendations relating both to internal audit reports, other relevant audit and assurance reports, external audit reports and management letters.
- Initiating reports and investigations as it sees fit, having the right of access to all minutes, books, documents or any other information maintained within the Trust.
- Reporting annually to the BoD on the internal controls and assurance arrangements in place through a process of integrated assurance, including:
 - Reviewing, assessing and monitoring the effectiveness of the external and internal audit services and their relationship with each other.
 - Receive reports from the external auditors, internal auditors and any other appropriate bodies, for example the National Audit Office (NAO) or the Education and Skills Funding Agency (ESFA) and consider any issues raised, the associated management response and action plans.
 - Regularly monitor outstanding audit recommendations and ensure any delays to implementation dates are reasonable.
 - Keep under regular review a Strategic Risk Register for the MAT and ensure each academy Principal is maintaining an Operational Risk Register at academy level and that high impact risks are reported to the Audit Committee accordingly.

More specific responsibilities of the committee are detailed in sections below.

4.2 Financial Accountability

- The committee will monitor the integrity of the annual financial statements, interim reports and any formal announcements relating to the Group's financial performance before they are presented to the BoD, focusing on
 - accounting policies
 - compliance with accounting standards
 - monitoring and reviewing the monthly management accounts
 - reviewing significant financial reporting judgements
 - findings of the external auditor, including significant audit adjustments

4.3 Internal Audit

The committee will monitor and review the effectiveness of the internal audit function and will:

- advise/request from the BoD on the appointment and remuneration of the internal auditor and their scope of work.
- review the long-term plan for internal audit, decide and approve the annual plan, and monitor results as presented in internal audit reports.
- review, consider and advise upon reports made by the internal auditors.
- review and monitor management's responsiveness to the internal auditor' findings and recommendations.
- monitor and assess the effectiveness of the internal audit function in the overall context of risk management and assurance arrangements.
- have the option to meet with internal auditors at least once per year without the presence of management.

4.4 External Audit

The Committee will oversee the relations with the external auditor and more will:

- advise the BoD on the appointment and remuneration of the external auditor and review and agree the level of fees and the letter of engagement prior to the start of each annual audit.
- receive the scope of the annual audit at the planning stage and to consider the auditor's management letters and management's response at the reporting stage.
- review on an annual basis, the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional, regulatory and ethical requirements including the regular rotation of relationship partners.
- have the option to meet with the external auditor at least once per year without the presence of management.

4.5 Risk

The Audit Committee will review and advise the BoD on the current risk exposures and any future risk strategy and risk management policy

- In relation to risk assessment -
 - Regularly review and approve the overall risk assessment processes that inform the BoD's decision making.
 - Review and report to the BoD upon the trust's strategic and operational risks escalated, and any other risk types of critical importance.
 - Review and report to the BoD on the overall risk appetite, tolerance and strategy.
- Review, assess and monitor arrangements to consider and approve proposed strategic transactions, ensuring that appropriate appraisal of the proposition is undertaken, focussing in particular on implications for the risk appetite and tolerance of the Trust.
- Review reports on any material breaches of risk limits and risk management, including any potential for 'serious detriment' as defined by the Regulator, including the adequacy of proposed action.
- Ensure the trust has a trust and academy specific Business Continuity Plan in place which includes disaster recovery arrangements, and sample check this annually.
- Ensure there is a process in place for all 'red' residual risks on the Operational Risk Register of each institution to be tabled at each Audit Committee meeting.

5.0 General authority and scope

- The committee is authorised to investigate any activity of the trust within its terms of reference and in accordance with any advice or guidance received. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any reasonable request made by the Committee.
- Following prior consultation with the Chair of the BoD and, where appropriate, the CEO, the Committee is authorised to obtain legal or other professional advice which is relevant to its purpose, as it deems necessary.

6.0 Review

- The Board has approved these Terms of Reference and they will bind the Committee from 21st June 2021.
- At least every year, the Committee shall review its structure, delegated responsibilities, reporting arrangements, terms of reference and effectiveness and report its conclusions to the Board, including any recommendations for changes.

Appendix 3



Trinity Multi-Academy Trust Commercial Interests Group (CIG) Terms of Reference 2021/22

1. Introduction

- 1.1 Trinity Multi-Academy Trust (Trinity MAT) has established a number of initiatives and ventures which share the same aims:
 - 1.1.1 To promote development of everyone engaged in education including the paid workforce, parents and carers, in order to ensure excellence in teaching standards for children and young people
 - 1.1.2 To enhance the reputation of Trinity MAT for values-led education, inclusion and innovation
 - 1.1.3 To generate income for Trinity MAT to re-invest in line with its values and objectives
- 1.2 Trinity MAT has established a Commercial Interests Group (CIG) to provide its Board of Directors with advice and guidance in the pursuit of these aims, taking into account its obligations under statute and regulatory frameworks, and values and commitments.

2. Role and purpose

- 2.1 The CIG is an advisory group to the Board of Directors (BoD) of Trinity MAT
- 2.2 The overall purpose of the Commercial Interests Group (CIG) is:
 - 2.2.1 To advise on the development, maintenance and growth of effective commercial interests which enable Trinity MAT to secure its aims set out in section 1 above
 - 2.2.2 To review, support and strengthen the development and pursuit of Trinity MAT's commercial interests, acting as a 'critical friend' by providing comment, advice, guidance and challenge
 - 2.2.3 To support the BoD in ensuring that a framework is established and maintained for the identification and management of risk and assurance for commercial ventures, in line with Trinity MAT's established risk management system.
 - 2.2.4 To support the BoD in ensuring that commercial interests develop in a manner consistent with relevant legislative and regulatory frameworks

3. Objectives

- 3.1 The objectives of the CIG are as follows:
 - 3.1.1 To support the development, and regular review, of the commercial interests business plan of Trinity MAT by receiving regular reports on its progress, challenges and opportunities
 - 3.1.2 To explore and investigate, through discussion, reading and observation/involvement (where appropriate), Trinity MAT's pursuit of commercial interests, offering advice and comment, e.g., on risk, opportunities, new markets and areas for specialist or technical advice
 - 3.1.3 To provide a 'sounding board' for officers of Trinity MAT, e.g., in testing potential new initiatives or reviewing challenges or opportunities arising in existing initiatives

- 3.1.4 To provide advice and guidance on any risks identified which have not been assessed and/or mitigated

4. Delegations

- 4.1 The BoD has not delegated any powers to the CIG, and the Directors of Trinity MAT remain accountable for the commercial activities of Trinity MAT in line with the Companies Act 1980 and all other relevant legislation and guidance

5. Membership and quoracy

- 5.1 The CIG shall consist of the following members, appointed for a period of 3 years in the first instance:

- 5.1.1 A Director of Trinity MAT (chair)

- 5.1.2 Two lay members with relevant experience and expertise (who may act as vice-chair in the absence of the chair)

- 5.2 The CIG shall also invite the following Trinity MAT Officers to be in attendance at meetings, at the chair's discretion:

- 5.2.1 Chief Executive

- 5.2.2 Chief Finance Officer

- 5.2.3 Director of Development

- 5.3 The CIG may also co-opt specialists on an annual basis, where specific additional expertise is required.

- 5.4 Meetings shall be quorate when at least two members are present.

6. Meetings

- 6.1 The CIG shall normally meet four times a year, namely in March, July, September and December.

- 6.2 Administrative support shall be provided by Trinity MAT.

- 6.3 Meetings will normally be held at The Maltings College, Maltings Road, Halifax HX2 0TJ

7. Liability

- 7.1 The work of the CIG shall be included within the remit of Trinity MAT's relevant insurance including that of professional indemnity.

8. Review

- 8.1 These terms of reference will be reviewed annually in September each year.

9. Approval

- 9.1 These terms of reference were approved by the BoD on 5th July 2021

Appendix 4

Trinity Academy Cathedral LGB Terms of Reference

The Local Governing Body (LGB) will oversee Trinity Academy Cathedral and will operate within the powers and duties set out in the Scheme of Delegated Authority of the Trinity Multi Academy Trust (MAT).

General – The LGB will:

- Comprise of 13 governors and ensure the quorum for meetings of the group is seven governors (or 50% plus one).
- Meet at least six times a year.
- Appoint a Clerk who will record all recommendations and decisions in writing (the minutes) and distribute papers five working days before the date of any LGB meeting.
- Contextualise the vision, ethos and values of the MAT with all key stakeholders.
- Challenge and monitor the performance of the institution through the individual Academy Improvement Plan (AIP) to ensure that the academy is at the forefront of innovative practice whilst considering financial implications, staffing (both teaching and support) and the aims and objectives of the academy.
- Draw on its membership to form panels to consider exclusions, complaints, discipline and dismissal and appeals panels, as appropriate.
- Support the performance management of the Principal via a specially nominated committee.
- Recruit staff and have one LGB member sit on the recruitment panel for a Senior Leader post.
- Approve the annual budget and monitor and review expenditure on a regular basis to ensure compliance with their overall budget/financial plan.
- Direct any major issues/concerns to the Trust Directors for consideration.

Curriculum Specific - The LGB will:

- Agree targets for student achievement annually to ensure that they are challenging, that progress towards targets is effectively monitored and that intervention is planned and appropriate to realise students' potential.
- Consider standards and other matters relating to the curriculum, including statutory requirements and the provision of religious studies in line with an academy's religious designation (or not).
- Consider curricular issues which have implications for finance and personnel decisions and to make recommendations, as required.
- Monitor provision for progress and attainment of vulnerable groups e.g. SEND, children looked after, young carers, and the effectiveness of any intervention strategies.
- Monitor the quality of teaching & learning and quality assurance.
- Keep under review the impact of the Equality Policy (including gender, race, disability) in relation to teaching and learning, curriculum, achievement and progress.
- Determine, monitor and evaluate the range and the impact of extended activities on student learning.
- Oversee arrangements with support services provided by external agencies and ensure that these fulfil statutory obligation and meet student need.

Children, Family and Community Specific - The LGB will:

- Propose the Admission Policy and PAN annually.
- Assess the Behaviour for Learning Policy (and associated policies) and evaluate their implementation and outcomes e.g. the impact on exclusions in the academy (by cohort).
- Monitor the Attendance Policy and evaluate its outcomes (by cohort).
- Review parent/student views and consider/recommend how these are/should be taken into account.
- Consider the effectiveness and accessibility of communications with parents including via the website, paperless communication, the prospectus, student reports etc.

- Consider community links (with the use of the academy building and facilities), monitoring and evaluating the promotion of community cohesion.

Finance specific - The LGB will:

- Approve each academy budget prior to the start of each financial year.
- Monitor and review expenditure on a regular basis and ensure compliance with the overall budget/financial plan for each academy.
- Maintain and develop academy sites whilst considering the agreed budget.
- Develop and keep under regular review the Operational Risk Register (ORR), identifying major risks facing the academy and the likelihood of those risks materialising.
- Ensure the academy assists with the preparation of the trust consolidated Financial Statements approved by the Board of Directors for filing to the ESFA and Companies House.

Policies

- Adopt (MAT policies - set out by the Board of Directors of the trust), adhere to, or keep under review (academy policy) statutory/recommended policies to ensure the academy fulfils its statutory requirements and the trust's SoDA.

Appendix 5

The Seven Principles of Public Life – HM Treasury's Regularity, Propriety and Value for Money

1. Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

3. Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. Honesty

Holders of public office have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. Leadership

Holders of public office should promote and support these principles by leadership and example.

Appendix 6

ESFA Schedule of freedoms and delegations, page 56, Academy Trust Handbook 2021

Novel, contentious and repercussive	Novel, contentious and repercussive transactions	ESFA agreement required
Special payments	Staff severance and compensation	ESFA agreement required if payment £50,000 or more before tax
	Ex gratia payments	ESFA agreement required
Write-offs and liabilities (subject to £250,000 ceiling)	Writing off debts and losses	ESFA consent required if exceeds: - 1% of annual income or £45,000 individually; or - 2.5% or 5% of annual income cumulatively
	Entering into guarantees, indemnities or letters of comfort	
Acquisition and disposal of fixed assets	Acquiring freehold land/buildings	ESFA agreement required
	Disposing of a freehold on land/buildings	ESFA agreement required
	Disposal of heritage assets	ESFA agreement required
	Other Disposals	Trust has full discretion
Leasing	Taking up a finance lease	ESFA agreement required
	Taking up a leasehold on land and buildings	ESFA agreement required if lease term is seven years or more
	Taking up any other lease	Trust has full discretion
	Granting a lease on land and buildings	ESFA agreement required
GAG – General Annual Grant	GAG carry forward	No limits if trust eligible
	Pooling by multi-academy trusts	No limits (except PFI) if trust eligible
Borrowing	Loan, overdraft	ESFA agreement required
	Credit Cards (for business use)	Trust has full discretion provided charges not incurred
Related Party Transactions	Supplies to the trust from related parties	ESFA agreement required over £20,000 and over associated limits in

Appendix 7

Current Details

Registered Office Address: Trinity Multi Academy Trust, Trinity Academy Halifax, Shay Lane, Halifax, West Yorkshire, HX2 9TZ

Company Registration Number: 06897239, Incorporation Date: 6 May 2009

VAT Registration Number: 257 120 915

Schools and Academies within the MAT:

Trinity Academy Halifax, Shay Lane, Halifax, HX2 9TZ

Phase / type: Secondary, Academy sponsor led

URN: 136094

LAESTAB: 381/6905

Local authority name: Calderdale

Joined date: 1 September 2010

Trinity Sixth Form Academy, Northgate House, Halifax, HX1 1UN

Phase / type: 16 plus, Free schools 16 to 19

URN: 139433

LAESTAB: 381/4003

Local authority name: Calderdale

Joined date: 1 October 2016

Trinity Academy Akroydon, Rawson Street North, Boothtown, Halifax, HX3 6PU

Phase / type: Primary, Academy converter

URN: 143651

LAESTAB: 381/2001

Local authority name: Calderdale

Joined date: 1 February 2017

Trinity Academy Grammar, Albert Road, Sowerby Bridge, HX6 2NW

Phase / type: Secondary, Academy sponsor led

URN: 144946

LAESTAB: 381/4007

Local authority name: Calderdale

Joined date: 1 October 2018

Trinity Academy Cathedral, Thornes Road, Wakefield, WF2 8QF

Phase / type: Secondary, Academy converter

URN: 145579

LAESTAB: 384/4007

Local authority name: Wakefield

Joined date: 1 March 2018

Trinity Academy St Chad's, Upper Green Lane, Hove Edge, Brighouse, HD6 2PA

Phase / type: Primary, Academy sponsor led

URN: 146959

LAESTAB: 381/2026

Local authority name: Calderdale

Joined date: 1 March 2019

Trinity Academy St Peter's, St Peter's Avenue, Sowerby, Sowerby Bridge, HX6 1HB
Phase / type: Primary, Academy sponsor led
URN: 148143
LAESTAB: 381/2035
Local authority name: Calderdale
Joined date: 1 September 2020

Trinity Academy Bradford, Deanstones Lane, Bradford, BD13 2AS
Phase / type: Secondary, Academy sponsor led
URN: 148545
LAESTAB: 380/4092
Local authority name: Bradford
Joined date: 1 February 2021

Trinity Academy Leeds, Torre Road, Burmantofts, Leeds
Phase / type: Secondary, Free schools
URN: 148560
LAESTAB: 383/4080
Local authority name: Leeds
Joined date: 1 September 2021

Trinity Academy St. Edwards, Eastgate House, 7 Eastgate, Barnsley
Phase / type: Secondary, Free schools
URN: 148561
LAESTAB: 370/4013
Local authority name: Barnsley
Joined date: 1 September 2021

WYPF Number: 326

Bankers: Lloyds Bank, Hustlergate, Bradford, BD1 1NT

Solicitors: Browne Jacobson, 1 Hardman Square, Spinningfields, Manchester, M3 3EB

Payment Run Deadlines: BACS Run – by 5pm daily Faster Payment by 2pm daily.

Pay Day: 26th of each month; if this falls on a weekend, then is it paid on the Friday before that weekend, or the best available working day prior to the 26th (i.e. for December).

Payroll Company: Internally run systems/processes utilising Orovia Edupay cloud based package.

Appendix 8

Anti-fraud checklist for academy trusts

Fraud occurs in every sector and although the level of identified fraud in academies is very low, academy trusts need to be aware of the potential for it to occur.

The 10 questions below are intended to help trustees, accounting officers and chief financial officers to review their arrangements for preventing, detecting and dealing with fraud should it occur.

Arrangements will vary according to the size, complexity and structure of the trust.

1. Are the trustees, accounting officer and chief financial officer aware of the risk of fraud and their responsibilities regarding fraud?
2. Is fraud included within the remit of the trust's audit committee?
3. Has the role of the trust's external auditor and responsible officer (or equivalent) regarding fraud been established and is it understood?
4. Is fraud risk considered within the trust's risk management process?
5. Does the trust have a fraud strategy or policy and a 'zero tolerance' culture to fraud?
6. Is the fraud strategy or policy and 'zero tolerance' culture promoted within the trust? For example through financial regulations, disciplinary procedures, checks on new staff, induction process, staff training, vetting of contractors?
7. Does the trust have policies on whistleblowing, declarations of interest and receipt of gifts and hospitality?
8. Does the trust have appropriate segregation of duties around financial transactions, including, but not limited to, accounting, processing and banking arrangements?
9. Is it clear to whom suspicions of fraud in the AT should be reported?
10. If there has been any fraud in the trust, has a 'lessons learned' exercise been undertaken?

Appendix 9

Trinity Multi Academy Trust

Declaration of business and pecuniary interests

The Board of Directors are required to establish a register of business and pecuniary interests for themselves and all Local Governors and staff, which will be open to inspection. It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from decisions that they make.

You are required to complete a declaration of business and pecuniary interests form which must include any governance roles in other educational institutions. Business and pecuniary interests include any material interests arising from close family relationships (child, parent, spouse etc.) between the academy trust's Members or Directors, and relationships between Members/Directors/Local Governors/Staff.

Any immediate family members that have a controlling interest in businesses that could trade with the Multi Academy Trust (now or in the future) must be stated on this document.

Where there are no business or pecuniary interests at present, this should be noted as 'Nil', however, should this change it is your responsibility to inform the Directors.

Full name	
Date of appointment	
Term of office	
Date they stepped down (if applicable)	
Appointed by	

As a Director of Trinity Multi Academy Trust, I need to declare the following business interests (please continue on a separate sheet if necessary), or note a nil return.

Name of the business (if applicable)	Nature of the business (if applicable)	Nature of the interest	Date the interest began

I undertake to notify the Board of Directors of any changes in these circumstances.

Signed Name (in capitals)

Date