

HORIZONS EDUCATION TRUST

Financial Regulations Policy

October 2025

POLICY ISSUE CONTROL

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1.0 Introduction

The purpose of this document is to ensure that the academy maintains and develops systems of financial control which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Education Funding Agency (EFA).

The academy must comply with the principles of financial control outlined in the Academies Financial Handbook. This document expands on that and provides detailed information on the academy's accounting procedures and systems which should be read by all staff involved with financial management and systems. Where Trustees have agreed individual policies and procedures this document references them. These individual documents should also be read by all staff involved with financial management and systems.

2.0 Organisation

The academy has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees and staff. The financial reporting structure is illustrated below:

2.2 The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the academy's finances. The main responsibilities of the Board of Trustees are prescribed in the Funding Agreement between the academy and the EFA and in the academy's Articles of Association. The main responsibilities include:

- To maintain the trust as a going concern
- Ensuring that grant from the EFA is used only for the purposes intended;
- Ensuring that funds from sponsors are received according to the academy's Funding Agreement, and are used only for the purposes intended
- Approval of the Annual Budget
- Appointment of the Accounting Officer
- Appointment Chief Financial Officer, in conjunction with the Accounting Officer

The Board of Trustees will also appoint a sub committee to oversee the financial management of the academy. This committee is called Finance, People and Premises (FPP).

2.3 Finance, People & Premises Committee (FPP)

FPP is a committee of the Board of Trustees, which meets at least once a term but more frequent meetings can be arranged if necessary. The committee may meet to discuss and agree matters, in accordance to the Terms of Reference of the committee, for any aspect of their remit e.g. solely Audit or a combination of aspects e.g. Finance and Premises.

The main responsibilities of the Committee are detailed in written Terms of Reference (see the Terms of Reference document for the full responsibilities) which have been authorised by the Board of Trustees. The main responsibilities include:

- The initial review and recommendation of the Annual Budget to the Board of Trustees
- The regular monitoring of actual expenditure and income against budget
- Ensuring the financial statements are produced in accordance with the requirements of the Companies Act 2006 and the EFA guidance issued to academies
- Authorising the expenditure up to £50,000
- Reviewing the reports of the Accounting Officer and Chief Financial Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board by the Chair of the Committee.
- Act as the Audit Committee (excluding any member that is a Staff Trustee)

2.4 The Accounting Officer

The Accounting Officer has overall executive responsibility for the academy's activities, including financial activities. Much of the day to day financial responsibility has been delegated to the Chief Financial Officer but the Accounting Officer still retains responsibility for (and in his/her absence see the Delegated Authority Listing document):

- Approving new staff appointments within the authorised establishment and any senior staff posts which the Board of Trustees (via the Personnel Committee) have agreed
- Authorising expenditure up to £15,000 (excluding VAT) in conjunction with Best Value investigations undertaken by the Chief Financial Officer (or other approved member of staff)
- Signing cheques and BACS payments in conjunction with the Chief Financial Officer and/or the other authorised signatories

The Accounting Officer should be an employee and if not DoE approval should be sought.

2.5 Chief Financial Officer (Director of Finance)

The Chief Financial Officer works in close collaboration with the Accounting Officer through whom he or she is responsible to the Board of Trustees. The Chief Financial Officer also has direct access to the trustees via FPP Committee. The main responsibilities of the Chief Financial Officer are:

- Preparation and maintenance of the Annual Budget for the Accounting Officer and appropriate Trustee Committees. This includes the presentation of the budget to FPP and the Board of Trustees for their information and approval
- The day to day management of financial issues including the establishment and operation of a suitable accounting system
- The management of the academy financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees
- the maintenance of effective systems of internal control
- Ensuring that the financial statements are properly presented and adequately supported by the underlying books and records of the academy

- the preparation of monthly management accounts
- Signing cheques and approving BACS payments in conjunction with the Accounting Officer and/or the other authorised signatories
- Working with academy Accountants and Internal Auditors to provide both External and Internal Audit documents; and the academy's Annual Return
- Ensuring forms, self-assessment tools and returns are completed and sent to the EFA in line with the timetable in the EFA guidance.

The Chief Financial Officer should be an employee and if not DoE approval should be sought if, exceptionally, he/she is not. He/she should have a relevant accountancy qualifications and maintain professional development.

2.6 Responsible Officer (Internal Auditor)

The Responsible Officer is appointed by the Board of Trustees and provides trustees with an independent oversight of the academy's financial affairs. The main duties of the Responsible Officer are to provide the Board of Trustees with independent assurance that:

- The financial responsibilities of the Board of Trustees are being properly discharged
- Resources are being managed in an efficient, economical and effective manner
- Sound systems of internal financial and non-financial controls are being maintained
- Financial considerations are fully taken into account in reaching decisions
- The Responsible Officer will undertake an annual programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Board of Trustees.
- A report of the findings will be presented to FPP.

The internal audit function cannot be performed by the external auditor.

The Academy can use additional individuals or organisations to support **internal scrutiny** where specialist nonfinancial knowledge is required.

2.7 Other Staff

Other members of staff such as the Finance Assistant and budget holders, will also have some financial responsibilities.

All academy staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

3.0 Register of Interests

See Also; Trading With Connected Parties

- 3.1 It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all academy Trustees and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the academy may purchase goods or services. The register is open to public inspection.
- 3.2 The register should include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the academy. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a trustee or a member of staff by that person.
- 3.3 The existence of a register of business interests does not, of course, detract from the duties of trustees and staff to declare interests whenever they are relevant to matters being discussed by The Board of Trustees or a committee. Where an interest has been declared, trustees and staff should not attend that part of any committee or other meeting.
- 3.4 The Board of Trustees will keep their register of interests up-to-date at all times.

4.0 Accounting System

- 4.1 All the financial transactions of the academy must be recorded on the accounting package accounting system. The accounting package system is operated by the Finance Department.

5.0 System Access

- 5.1 Entry to the accounting package system is password restricted and the Chief Financial Officer is responsible for implementing a system which ensures that passwords are issued to users.
- 5.2 Access to the component parts of the accounting software system can also be restricted and the Chief Financial Officer is responsible for setting access levels for all members of staff using the system.

6.0 Back-Up Procedures

- 6.1 All accounts data held on the accounting software system is automatically backed up via the Cambridgeshire County Council, School's Central Hosting System. In principle, the Accounting Officer is responsible for ensuring that there are effective back up procedures for the system. Management Accounts and Other Financial Data should also be stored in files that are covered by the Central Hosting back-up procedures. In the event that files are stored on the Academy Server (which is the day to day responsibility of the academy Administration) these should be backed up daily on a removable medium and the copies stored in a secure place, preferably in a fireproof container. Back-up copies should be taken off site at least on a weekly basis.

- 6.2 The Accounting Office should prepare a disaster recovery plan in the event of loss of accounting facilities or financial data. This should link in with the annual assessment made by trustees of the major risks to which the academy is exposed and the systems that have been put in place to mitigate those risks.

7.0 Transaction Processing

- 7.1 All transactions input to the accounting system must be authorised in accordance with the academy procedures.
- 7.2 All journal entries must be supported by relevant documents and authorised by the appropriate authorised member of staff prior to being input to the accounting system.
- 7.3 Bank transactions should be input by the Finance Assistant or Management Accountant and the input should be checked by the Chief Finance Officer.
- 7.4 Detailed information on the operation of the accounting package system can be found in the user manuals (via 'theictservice').
- 7.5 Accounting Software and User Support should be purchased each year to maintain an up-to-date version of the software and provide day to day user support and training when required.
- 7.6 All staff required to use the accounting software should receive adequate internal and external training.

8.0 Transaction Reports

- 8.1 The Chief Financial Officer will obtain and review system reports to ensure that only approved transactions are posted to the accounting system.
- 8.2 Management accounts summarising expenditure and income against budget at budget holder level are to be produced and reviewed at least once a month.

9.0 Reconciliations

- 9.1 The Chief Financial Officer is responsible for ensuring the following reconciliations are performed each month, and that any reconciling or balancing amounts are cleared:
- Sales ledger control account
 - Purchase ledger control account
 - Payroll control account
 - VAT
 - All suspense accounts
 - Bank balance per the nominal ledger to the bank statement
 - Any unusual or long outstanding reconciling items must be brought to the attention of the Chief Financial Officer. The Chief Financial Officer will review and sign all reconciliations as evidence of his review

10.0 Financial Planning

- 10.1 The academy prepares both medium term and short-term financial plans. It is the responsibility of the Accounting Officer to produce these plans.
- 10.2 The medium term financial plan is prepared as part of the development planning process. The development plan indicates how the academy's educational and other objectives are going to be achieved within the expected level of resources over the next three years.
- 10.3 The development plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the academy and the planned use of those resources for the following year.
- 10.4 The development planning process and the budgetary process are described in more detail below.

11.0 Development Plan

- 11.1 The development plan is concerned with the future aims and objectives of the academy and how they are to be achieved; that includes matching the academy's objectives and targets to the resources expected to be available. Plans should be kept relatively simple and flexible. They are the "big picture" within which more detailed plans may be integrated.
- 11.2 The form and content of the development plan are matters for the Trust to decide but due regard should be given to the matters included within the guidance to Academies and any annual guidance issued by the DoE.
- 11.3 Each year the Accounting Officer will propose a planning cycle and timetable to The Board of Trustees which allows for:
 - A review of past activities, aims and objectives:
"Did we get it right?"
 - Definition or redefinition of aims and objectives:
"Are the aims still relevant?"
 - Development of the plan and associated budgets:
"How do we go forward?"
 - Implementation, monitoring and review of the plan:
"Who needs to do what by when to make the plan work, and keep it on course?"
 - Feedback into the next planning cycle:
"What worked successfully and how can we improve?"
- 11.4 The timetable will specify the deadlines for the completion of each of the key stages described above. Lead responsibility for the completion of each of the stages will be assigned by the Accounting Officer.
- 11.5 The completed development plan will include detailed objectives for the coming academic year and outline objectives for the following two years. The plan should also include the estimated resource costs, both capital and revenue, associated with each objective and success criteria against which achievement can be

measured.

- 11.6 For each objective the lead responsibility for ensuring progress is made towards the objective will be assigned to an academy manager. The responsible manager should monitor performance against the defined success criteria throughout the year and report to the senior leadership team on a quarterly basis. The senior leadership team will report to the Finance, Premises and People Committee (FPP) if there is a significant divergence from the agreed plan and will recommend an appropriate course of action.

12.0 Annual Budget

- 12.1 The Chief Financial Officer is responsible for preparing and obtaining approval for the Annual Budget. The budget must be approved by the Accounting Officer, the Finance, People and Premises Committee and the Board of Trustees.
- 12.2 The approved Budget must be submitted to the DoE in accordance with the DoE timeframe each year and the Accounting Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.
- 12.3 The Annual Budget will reflect the best estimate of the resources available to the academy for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the development plan objectives and the budgeted utilisation of resources.
- 12.4 The budgetary planning process will incorporate the following elements:
- Forecasts of the likely amount of SEN Top-up Funding to estimate the amount of DoE and Local Authority funding receivable
 - Review of other income sources available to the academy to assess likely level of receipts
 - Review of past performance against budgets to promote an understanding of the academy cost base
 - Identification of potential efficiency savings
 - Review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes, ensuring the integration of curriculum requirements into financial planning

13.0 Balancing the Budget

Comparison of estimated income and expenditure will identify any potential surplus or shortfall in funding. If shortfalls are identified, opportunities to increase income should be explored and expenditure headings will need to be reviewed for areas where cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance. If a potential surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

14.0 Finalising the Budget

- 14.1 A draft budget should be prepared by the Chief Financial Officer for approval by the Accounting Officer, the Finance, People and Premises Committee and the Board of Trustees. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.
- 14.2 The budget should be seen as a working document which may need revising throughout the year as circumstances change.
- 14.3 **The budget may be in a technical deficit where expenditure is covered by prior year reserves from the Trust.**

15.0 Monitoring & Review

- 15.1 Monthly management accounts will be prepared by the Chief Financial Officer. The reports will detail actual income and expenditure against budget both for budget holders and at a summary level for the Accounting Officer and the Finance, People and Premises Committee. The management accounts will also include a balance sheet, cash flow and key financial performance indicators.
- 15.2 The management accounts will be shared with the Chair of Board of Trustees and chair of the Finance, People and Premises committee every month, and with other Trustees three times a year.
- 15.3 The monitoring process should be effective and timely in highlighting variances in the budget so these differences can be investigated and action taken where appropriate. The process should be informed by a termly review of pupil number projections. If a budget overspend is forecast it may be appropriate to transfer money from another budget or from the contingency. All budget virements must be authorised by the Chief Financial Officer, the Accounting Officer or the Finance, People and Premises Committee in accordance with their Delegated Powers and reported to the Trustees.

16.0 Payroll

The main elements of the payroll system are:

- Staff appointments
- Payroll administration and
- Payments

17.0 Staff Appointments

- 17.1 The Board of Trustees has approved a personnel establishment for the Trust. Changes can only be made to this establishment with the express approval in the first instance of the Finance, People and Premises Committee, who must ensure that adequate budgetary provision exists for any establishment changes.
- 17.2 The Accounting Officer has authority to appoint staff within the authorised establishment (but this is normally done in conjunction with the Finance, People

and Premises Committee), but must ensure there is adequate budgetary provision.

17.3 Any amendments to the CEO's salary is notified to the Chief Financial Officer by the Chair of the Trustees.

17.4 The Accounting Officer maintains personnel files for all members of staff, which includes contracts of employment. All personnel changes must be notified, in writing, to the Chief Financial Officer immediately.

17.4.1 Changes relating to the Chief Financial Officer are actioned by the CEO.

17.5 Annual salary statements are kept for all employees by the Accounting Officer.

17.6 The Human Resource (HR) function is currently outsourced to a HR provider. Internal administration of HR appointments and contract changes is the responsibility of the Accounting Officer. This is delegated to Headteachers, in consultation with the Director of Education and Director of Finance.

17.6.1 These responsibilities for updating the HR Portal and collecting for Pay Changes, Starters and Leavers are delegated to:

Executive Assistant,
Director of Operations, and
Academy Secretaries

18.0 Payroll Processing

18.1 The Payroll function is currently outsourced to a payroll provider. They provide a detailed summary for a journal to be raised for the accounting system. Month by month payroll claims are to be entered via the external provider's Payroll Portal by the, Management Accountant and the Finance Assistant only. These claims must be authorised by the appropriate Senior Manager. The Accounting Officer and Chief Financial offer are the only staff that are authorised to check and approve the payroll reports provided by the external provider, which will be done prior to any payments are processed for payment.

19.0 Purchasing

The Trust seeks to achieve the best value for money from all our purchases. This means Budget Holders aim to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:

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

20.0 Tenders

See the Procurement Policy.

21.0 Trading With Connected Parties

The academy will only trade with connected parties on the basis as outlined in the Academies Financial Handbook:

"A trust must pay no more than "cost" for goods or services provided to it by the following persons:

- Any member or trustee of the Academy Trust
- Any individual or organisation connected to a member or trustee of the academy trust. For these purposes the following persons are connected to a member, or trustee:
 - A relative of the member or trustee. A relative is defined as: a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner
 - An individual or organisation carrying on business in partnership with the member, trustee or a relative of the member or trustee
 - a company in which a member or the relative of a member (taken separately or together), and/or a trustee or the relative of a trustee (taken separately or together), holds more than 20% of the share capital or is entitled to exercise more than 20% of the voting power at any general meeting of that company
 - An organisation which is controlled by a member or the relative of a member (acting separately or together), and/or a trustee or the relative of a trustee (acting separately or together). For these purposes an organisation is controlled by an individual or organisation if that individual or organisation is able to secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes
- Any individual or organisation that is given the right under the trust's articles of association to appoint a member or trustee of the academy trust; or anybody related to such individual or organisation
- Any individual or organisation recognised by the Secretary of State as a sponsor of the academy trust; or anybody related to such individual or organisation"

22.0 Income

The main sources of income for the academy are the grants from the EFA and the Local Authority. The receipt of these sums is monitored directly by the Chief Financial Officer who is responsible for ensuring that all grants due to the academy are collected.

The academy also obtains income from:

- Students, mainly for trips

- The public, mainly for lettings and fundraising
- Sales of uniform and stationary
- Donations by companies or individuals accepted by the Trust
- Grants from charities

23.0 Bank Accounts

- 23.1 The academy **must** manage its cash position robustly and avoid becoming overdrawn on any of its bank accounts so that it does not breach restrictions on borrowing. We may be required to report on our cash position to DoE where there are concerns about financial management.
- 23.2 The opening of all accounts must be authorised by the Board of Trustees who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

24.0 Deposits

Particulars of any deposit must be entered on a copy paying-in slip, counterfoil or listed in a supporting book. The details should include:

- The amount of the deposit; and
- A reference, such as the number of the receipt or the name of the debtor

25.0 Payments & Withdrawals

All cheques and other instruments authorising withdrawal from academy bank accounts must bear the signatures of two authorised signatories.

26.0 Petty Cash

A maximum of £300 Petty cash is authorised to be held in a locked cash box which is put in the safe. Petty Cash must be reconciled at least monthly.

27.0 Cash Flow Forecasts

The Chief Financial Officer is responsible for preparing cash flow forecasts to ensure that the academy has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps should be taken to invest the extra funds. Similarly, plans should be made to transfer funds from another bank account or to re-profile GAG to cover potential cash shortages.

28.0 Novel &/or Contentious Transactions

Novel payments or other transactions are those of which the academy trust has no experience, or are outside the range of normal business activity for the trust. Contentious transactions are those which might give rise to criticism of the trust by Parliament, and/or the public, and/or the media. Novel and/or contentious transactions must always be referred to DoE for explicit prior authorisation.

29.0 Severance Payments

The Trust must obtain prior DoE approval before making a special staff severance payments where:

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

30.0 Gifts & Honorariums Given By the Academy

- 30.1 Gifts and Honorariums are transactions approved by Trustees that are made to current staff for special circumstances:
- 30.2 Exceptional performance (not covered by a normal payroll transaction), Maternity/Paternity payments or to staff, upon leaving due to retirement or following outstanding or long service.
- 30.3 Trustees, through this statement and financial regulations authorise, only the Accounting Officer to make gifts up to the value of £40 (e.g. flowers) to support staff wellbeing on compassionate grounds. Other gifts should not come from academy funds but from staff voluntary collections.
- 30.4 The Finance, People & Premises Committee, or Full Board, may agree an honorarium award, but this must be recorded in the minutes of either meeting. If agreed by the Finance, People & Premises Committee, ratification will be needed at Full Board.

31.0 Gifts from Parents & Carers

- 31.1 Sometimes parents or carers may wish to thank staff to show appreciation. However, we expect our staff to advise parents that gifts at end of term or to celebrate Christmas should be simple tokens of thanks. As a guide no more than £20.00 in value. Staff should not in any circumstances accept money or money vouchers.
- 31.2 All gifts or gratuities over £20.00 in value must be declared in writing and added to a register retained by the Finance Department.

32.0 Investments

Investments must be made only in accordance with written procedures approved by The Board of Trustees.

Investment strategy:

- Regularly monitor Cash Flow and Current Account balances to ensure immediate financial commitments can be met (payroll and other payments) and that the Current Account(s) have adequate balances to meet forthcoming commitments.
- In practice a working balance of £500,000 is to be maintained in a Lloyds Bank Current Account.
 - The Trust will avoid its Current Account going overdrawn.
 - Identify funds surplus to immediate cash requirements and transfer to Lloyds Bank High Interest Deposit Account.
 - Periodically (at least annually) review interest rates and compare with other investment opportunities.
 - The Trust's current policy is to only invest funds in low risk and deposit accounts.
 - Investments in unfamiliar investment techniques are prohibited.
 - Any change in Policy requires the approval of the full Board of Trustees.

33.0 Reserves

See Reserves Policy.

34.0 Fixed Assets

See Assets and Depreciation Policy

35.0 Asset Register

As part of the Academy's control framework, all items purchased with a value over the academy's capitalisation limit must be entered in an asset register. The asset register should include the following information:

- Asset description
- Asset number
- Serial number
- Date of acquisition
- Asset cost
- Source of funding (% of original cost funded from an EFA grant and % funded from other sources)
- Expected useful economic life
- Depreciation
- Current book value
- Location
- Name of member of staff responsible for the asset

The Asset Register helps:

- Ensure that staff take responsibility for the safe custody of assets
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- To manage the effective utilisation of assets and to plan for their replacement;
- Help the external auditors to draw conclusions on the financial statements and the academy's financial system

- Support insurance claims in the event of fire, theft, vandalism or other disasters.

36.0 Security of Assets

- 36.1 Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.
- 36.2 All the items in the register should be permanently and visibly marked as the academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register.
- 36.3 Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to The Board of Trustees.
- 36.4 Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

37.0 Disposals

- 37.1 Items which are to be disposed of by sale or destruction must be authorised for disposal by the Chief Financial Officer and, where significant, should be sold following competitive tender. The academy must seek the approval of the EFA in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.
- 37.2 Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the academy obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the academy would need to ensure licences for software programmes have been legally transferred to a new owner.
- 37.3 The academy is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested then the academy must repay to the EFA a proportion of the sale proceeds.
- 37.4 All disposals of land must be agreed in advance with the Secretary of State.

38.0 Loan of Assets

- 38.1 Items of academy property must not be removed from academy premises without the authority of the Accounting Officer, The Chief Financial Officer or the Headteacher. A record of the loan must be recorded in a loan book and booked back in to the academy when it is returned.
- 38.2 If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes.

- 38.3 Loans should therefore be kept under review and any potential benefits discussed with the academy's auditors.