

CHRIST THE TEACHER COLLEGE OF EDUCATION

APPIADU-KUMASI



FINANCE POLICY

2018

FINANCE POLICY

FOREWORD

Christ the Teacher College of Education was established by the colleges of education Act 2012 (Act847) and shall be managed and administered in accordance with sound and internationally acceptable practices, benchmarks, principles and ideas on College management and administration, including the principles of academic and financial integrity, confidentiality, accountability, transparency, fairness and equality of opportunity. Accordingly, to conduct its business effectively, Christ the Teacher College of Education shall ensure that it has sound financial management systems in place that it shall strictly adhere. Part of this process is the establishment of financial sustainability plan which set out rules and procedures relating to financial management, control and reporting.

The purpose of this policy is to provide a framework and guidelines to ensure control over the totality of the College's resources and provide management and Stakeholders with assurances that these resources are properly applied for the achievement of the College's Vision and Mission. The basic principles involved are:

- Ensuring financial viability;
- Achieving value for money;
- Fulfilling the College's responsibility for being financially sustainable management
- Ensuring that the College complies with all relevant legislation; and
- Safeguarding the assets of the College.

The Council of the College has approved this financial sustainability plan and wishes to inform all employees of their existence and that they are complied with at all times.

All officers and College's bodies shall in accordance with the policy decisions of the Council, manage and administer the affairs of the College in their various capacities in strict adherence to these Financial Regulations. Thus any employee who contravenes these Regulations will be considered to be in breach of their duties towards the College and Council and will be considered open for disciplinary action to be taken against them. This will also apply to employees who are aware of deliberate deviations from these regulations by others and become complicit by not reporting their concerns or knowledge to the relevant College Authorities or any member of Council.

GENERAL PROVISIONS

Introduction

The College is regulated by the Colleges of Education Act, 2012 (Act 847) and the Statutes enacted in accordance with the Act by the National Council for Tertiary Education (NCTE). Its financial governance structure is laid down in Act 847

The College is obliged to have in place sound systems of financial and management the principles of financial and management controls are set out within the Governance Structure and The Financial Management Policy. The Financial Management Policy is supported by detailed procedures that set out the operational application of these principles.

The Financial Management Policy contains Rules relating to the financial operations of the College. They are published through the Office of the Finance officer which is responsible for the financial operation, implementation of fiscal policies and control of the finances of the College.

The Financial Management Policy contained herein has been assembled with reference to the following:

- The Financial Administration Act, 2003 (Act 654)
- The Public Procurement Act, 2003 (Act 663)
- The Internal Audit Agency Act, 2003 (Act 658)
- The Audit Service Act, 2000 (Act 584)
- The Fair Wages and Salaries Commission Act, 2007 (Act 737)
- The National Pensions Act, 2008 (Act 766)
- The Revenue Agencies (Governing) Board Act, 1998 Act 558
- The Internal Revenue Act, 2000 Act 592 as amended
- Policy statements incorporated from previously issued memoranda; and
- Best practices in other Colleges.

The Financial Management Policy applies to the Christ the Teacher College of Education. All members of the College are required to comply with the Policy for the time period it is in force. These include all employees, students and all associated individuals.

Status of the Financial Management Policy

This policy is made by Council pursuant to its powers under the Statute and it is purposed to provide a framework and guidelines to ensure control over the totality of the College's resources

and provide management and stakeholders with assurances that the resources are properly applied for the achievement of the College's Vision and Mission.

It is the responsibility of the Finance officer to ensure that all employees have access to this Financial Management Policy and it is the responsibility of all employees to ensure that they comply with the provisions therein.

The Finance Committee is responsible for maintaining a continuous review of The Financial Management Policy, on the advice of the Finance officer and Internal Auditor, and on advising the Council on any additions or changes that are necessary.

Where there is any doubt about the interpretation of any part of The Financial Management Policy, the Principal, having taken appropriate advice, will act as the final arbiter in deciding on the interpretation.

Any actions required by the Principal, the Secretary, the Finance Officer, as part of these Rules, may be delegated, in writing, to an appropriate nominee. All such Delegation must be reported to and recorded by the Finance Officer.

Approvals and Amendments

The Council shall approve The Financial Management Policy on the recommendation of the Finance Committee. The Finance Committee shall review The Financial Management Policy from time to time at least on an annual basis.

FINANCIAL GOVERNANCE STRUCTURE

College Council

The Council is responsible for the management and administration of the College. Its primary financial responsibilities are to:

- i.** formulate in consultation with relevant bodies, the strategic vision and mission, long term academic and business plans and key performance indicators of the College;
- ii.** determine the authority limits for the use of finances of the College;
- iii.** Control the property, funds and investments of the College and, on behalf of the College, to sell, buy, exchange, lease and accept leases of such property;
- iv.** borrow money on behalf of the College and use the property of the College as security;

- v.** control the finances of the College and determine any question of finance arising out of the administration of the College or the execution of its policy or in the execution of a Trust requiring execution by the College;
- vi.** determine the allocation of funds at the disposal of the College, and in so doing, recurrent grants shall be made in the form of block grants, unless the Council otherwise determines, for expenditure by the College on those central activities of the College for which the College is wholly responsible and for the expenditure of its Units as part of their general income;
- vii.** determine annually the expenditure necessary for capital and revenue investments, the maintenance of the property of the College, and the human resources for transacting the business of the College, and to appropriate moneys for these purposes;
- viii.** prescribe the manner and form in which and the times at which Units of the College shall submit accounts or estimates of income and expenditure;
- ix.** act as trustee for any property, legacy, endowment, bequest, device or gift made to or belonging to the College or any of its Units;
- x.** determine student fees;
- xi.** ensure the College complies with the Government's audit code of practice;
- xii.** approve the appointment of external auditors;
- xiii.** approve the annual financial statements;
- xiv.** approve and authorize the opening and closing of bank accounts.

Principal

The principal as the head of the College shall:

- i.** be responsible for driving the overall growth and development of the College under the direction of the Council and shall have overall authority over academic, financial and administrative controls;
- ii.** submit annually to the Council, a statement of the financial and human resource requirements which in his/her opinion are necessary for the effective conduct of the business of the College, for approval, and for the management of budgets and resources, within the estimates approved by the Council;

- iii. advise the Council and Academic Board on matters affecting the policy, finance, governance and administration of the College;
- iv. approve all accounting procedures and financial records. Such procedures are to have due regard for the need to promote probity, integrity and accountability and to any advice provided from internal and external auditors;
- v. where required, justify any of the College's financial matters to the Public Accounts Committee of Parliament; vi. Ensure compliance with the Public Procurement Act, 2003 (Act 663) and approve procurement within the levels of authority as determined in that Act.

Committee Structure

The College Council has ultimate responsibility for the College's finances. Its principal committees dealing with financial matters are set out below. These committees are accountable to the College Council.

Finance Committee

Administers the finances and property of the College in accordance with its remit:

A. In so doing, the Committee will advise the Council on:

- the financial health and solvency of the College;
- safeguarding the College's assets;
- financial strategy;
- the medium-term financial forecast and the annual budget;
- financial issues arising from the annual financial statements;
- the establishment and dissolution of subsidiary companies and trusts of the College;
- the business plan of, and annual block grant to, the Students' Union and
- the formulation of finance and resource objectives in the operational activities of the College.

B. The Committee also has delegated authority to:

- monitor and evaluate the overall financial performance of the College;

- ensure that the College remains within the annual financial plan approved by the Council;
- ensure that an effective framework for financial management is in place;
- ensure that there are effective procedures in place for procurement and the approval of contracts;
- ensure that funds are applied in accordance with the laws of Ghana and the College's regulations, or similar obligations from other funding bodies;
- monitor and review the financial performance of the Students' Representative Council and the College's subsidiary companies and trusts;
- open and close bank accounts in the name of the College and in accordance with the College's requirements subject to ratification by Council.

C. Deal with any other matters referred to it by the Council.

Development committee

- Formulates Development Policy;
- Attends to detailed planning with architects and other professionals;
- Oversees the progress of major capital works being conducted within the College;
- Supervises other non-recurrent development projects of the College;
- Advises on and supervises the expenditure of the College's capital and development funds;
- Responsible under the Finance and General Purposes Committee for the efficient management of the Estate, Grounds and Gardens and ensures that the policies decided by the Finance and General Purposes Committee are carried out;
- Recommends modifications of policy to the Finance Committee;
- Performs any other duties as may be delegated to it.

Entity Tender Committee

- Reviews procurement plans in order to ensure that they support the objectives and operations of the College;
- Confirms the range of acceptable costs of items to be procured and matches these with the available funds in the approved budget;

- Reviews the schedules for procurement and specifications and also ensures that the procurement procedures to be followed are in strict conformity with the provisions of the Public Procurement Act, 2003 (Act 663);
 - Ensures that the necessary concurrent approval is secured from the relevant Tender Review Board, in terms of the applicable threshold in the Third Schedule to the Public Procurement Act, 2003 (Act 663) prior to the award of contracts;
 - Facilitates contract administration and ensures compliance with all reporting requirements under the Procurement Act, 2003 (Act 663);
- Ensures that stores and equipment are disposed off in compliance with the Procurement Act, 2003 (Act 663).

College Council

The financial functions of the College Council are:

- To ensure the financial integrity of the College as well as its Units;
- To oversee the development and progress of the College;
- To keep the College's objectives under constant review;
- To monitor and advise the College on conditions of service of employees of the College;
- To allocate funds at the disposal of the College;
- To determine annually the expenditure necessary for the academic purposes of the College, and for the maintenance of:
 1. The property of the College; and
 2. The requisite number of employees for transacting the financial and administrative business of the College and the appropriation of moneys for these purposes.

In exercising its functions, the College Council shall act within the general policy of the College. For the avoidance of doubt, all policy decisions of the College Council shall be in the form of recommendations to the College Council.

Finance committee

- Shall advise the College Academic Committee and the College Council on the financial, academic and other aspects of the development of the College;
- Shall formulate and review policies and establish criteria with a view to recommending to the College Academic Committee the order of priorities in the College's academic development and keep the policies in constant review;
- Shall exercise control over the property and expenditure of the College subject to the directions of the College Council;
- Shall scrutinize the annual estimates of expenditure submitted by the Units in the College and moderate them where necessary for presentation to the College Council;

- Shall consider all requests for authorization of expenditure in excess of the approved annual estimates and make recommendations thereon to the College Council;
- Shall consider such matters of a financial nature as may be referred to it by other committees of the College Council.

Officers with Special Financial Responsibilities

Secretary

The secretary is responsible, under the supervision of the principal, for the conduct of College business.

The secretary is the Chief Operating Officer of the College and under the principal is responsible for ensuring the effective administration of the College.

Finance Officer

The day-to-day financial administration of the College is controlled by the Finance officer, who shall, under the principal, be responsible for the financial business of the College and for such other business as Council may prescribe.

The specific responsibilities of the Finance Officer are described throughout this Financial Regulation and include the following:

- preparing annual capital and revenue financial plans;
 - calling for and receiving moneys due to the College and making the authorized payments on behalf of the College;
- Ensuring that proper books of accounts and records of the properties of the College are kept in a manner and form required by law
- preparing accounts and management information monitoring and controlling income and expenditure against financial plans and all financial operations;
 - preparing the College's annual accounts and other financial statements, and accounts which the College is required to submitting same to other authorities;
 - ensuring that the College maintains satisfactory financial systems;
 - providing professional advice on all matters relating to financial policies and procedures; liaising with internal and external auditors in order to achieve efficient processes and effective internal control processes.

INTERNAL AUDITOR

The Internal Audit shall:

- assure Management regarding the establishment and continuous operation of efficient and effective financial control systems within the College;
- have responsibility of ensuring that Risk Management policies are complied with and ensure that a regular review of the processes are maintained by management;
- conduct periodic management audits and submit reports to the principal
- liaise with External Auditors and ensure that appropriate action is taken on reported audit findings;
- submit periodic audit reports on the activities of the college to the principal
- generally, be responsible for ensuring that the College complies with the Internal Audit Agency Act, 2003 (Act 565).

All Employees

All employees shall, in accordance with the policy decisions of the Council, manage and administer the affairs of the College in their various capacities in strict adherence to these Financial Regulations and Governance. In so doing:

- All employees have a general responsibility for the security of the College's properties, for avoiding loss, and for due efficacy, efficiency and economy in the use of resources.
- They must ensure that they operate at all times within the scope of authority which has been delegated to them and in accordance with these Regulations.
- They shall make available promptly any relevant records or information the Finance Officer, or his/her authorized representative, in connection with the implementation of the College's financial policies, regulations and the systems of financial control.
- They shall provide the Finance Officer with such financial and other information as they may deem necessary, from time to time, to carry out the requirements of the Council.

- They shall immediately notify the Finance Officer whenever any matter emerges which involves, or is thought to involve, irregularities concerning, cash or properties of the College. The Finance Officer shall take such steps as he or she considers necessary by way of investigation and report.

Risk Management

The College acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health.

The Council has overall responsibility for ensuring that there is a risk management strategy and a common approach to the management of risks throughout the College. This will be done through the development, implementation and embedding within the organization of a formal, structured risk management process.

In line with this policy, the Council requires that the Risk Management Strategy and supporting procedures include:

- the adoption of common terminology in relation to the definition of risk and risk management;
- the establishment of College-wide criteria for the measurement of risk, linking the threats arising with their potential impact and the likelihood of their occurrence;
- a decision on the acceptable level of risk;
- detailed regular reviews at each Unit to identify significant risks associated with the achievement of key objectives and other relevant areas;
- development of risk management and contingency plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question;
- maintenance of the necessary Risk Registers and Risk Action Plans to ensure risks are properly managed;
- regular reporting to the Finance Committee of all risks above established tolerance levels;
an annual report from the Finance Committee to the Council giving assurance that risk has been properly managed;
- an annual review of the implementation of risk management arrangements;

- an annual report from the internal Audit UNIT on risk.

In line with this, a Risk Management Committee shall be set up to ensure that there are appropriate controls for managing the key risk areas. The risk areas covering financial management which have been identified as requiring adequate monitoring and assessment include:

Funding

- ❖ Potential future change in Government funding policy;
- ❖ Infrastructure funding requiring commitments and financial inputs from the Government and the College;
- ❖ Relationship with the National Health Insurance Scheme in respect of funding for patients at the College Hospital;
- ❖ Funders reneging on commitments for research and development, Property and related items
- ❖ Crime
- ❖ Maintenance backlog
- ❖ Service breakdown - electricity, water,
- ❖ Insurance adequacy
- ❖ Student and related issues
- ❖ Collection of student fees
- ❖ Insufficient student housing

Performance Reports

Ensuring the preparation and submission of management reports to internal constituent units and external bodies like the National Council for Tertiary Education, Ministry of Education and GTEC.

The Finance Committee has the responsibility to develop, promulgate, monitor and revise the applicable policy. When additional guidance or interpretation of a specific policy is required, that committee should be consulted. The Office of the Head of Finance should be consulted when an issue arises which is not addressed by The Financial Management Policy and related policies.

Introduction

The Christ the Teacher College of Education has adopted a budgetary control framework for ensuring financial integrity and control. In basic terms, the Council approves, on the basis of a

three year financial plan, an annual plan of both targeted recurrent income and expenditure and potential capital expenditure, relating to development, investment and other capital acquisitions. This is done in conformity with and is determined with reference to College Strategic Plan. Subsequent Development plans and targets of financial results for the College over the current and subsequent years. Forecasts are made of potential income and related expenditure to ensure that the net results fall within the parameters set by the Council.

Budget Objectives

The Council will, from time to time, set budget objectives in line with the Strategic Plan of the College. These will help the Finance Officer in preparing more detailed financial plans for the College.

Resource Allocation

Resources are allocated annually by the Council on the basis of the above objectives and on the recommendations of the Finance Committee.

The College's Finance Committee shall be responsible for the:

- review and formulation of strategic plans;
- review of the College's revenue collection activities;
- co-ordination and consolidation of the budget; • monitoring and evaluation of budget performance; and
- report to the Council on matters relating to the budget.

Budget Guideline

The various departments will prepare their budgets in line with the Budget Guidelines issued by the Finance committee. Prior to the preparation of their budgets, briefings shall be organized to discuss issues relating to the budgets.

Budget Preparation and Gender Responsiveness

Each year, in advance of the financial year to which they refer, The Finance Committee will determine the priorities for expenditure taking into account available funds and the strategic priorities of the College. The Finance Officer will prepare the budgets, both revenue and capital, on this basis, for consideration by the Finance Committee, before submission to the Council.

In preparing the budget there shall be allocation for scholarship for female tutors and or students to enhance their potentials in achieving gender responsive goals of the college.

These budgets should include:

- Revenue budget;
- Capital budget;
- Monthly cash flow forecast;

Budget Approval

The Budget of the College shall be approved by the College Council upon the recommendations of the Finance Committee.

The Finance Officer must ensure that the approved budgets are communicated to Heads of department as soon as possible following their approval by the Council.

Revised Budgets

During the year, the Finance Officer is responsible for submitting revised budgets (where applicable) to the Finance Committee for consideration and submission to the

Council for approval, and thereafter communicating the revised budgetary position to the Heads of Departments.

Capital projects

The capital project includes all expenditure on land, buildings, equipment, and furniture and associated costs, whether or not they are funded from capital grants.

The capital projects will be approved by the Council on the recommendation of the Development Committee and the Finance Committee.

The finance committee will appraise formally, before approval, all major capital expenditures including non-building projects, equipment etc., to conform to best practice.

In considering these major capital programmes, the College must satisfy itself that:

- the project is consistent with the strategic objectives of the College.

- *Finance committee* shall fully cost projects (including VAT and any other taxes), and its potential impact on College accounts
 - any restrictions or requirements that will result from the use of external funding have been taken into account;
 - the project conforms to best practice on tendering and procurement and complies with the Public Procurement Act, 2003 (Act 663) as amended and all other relevant legislation.
4. Where projects are externally funded and financial and investment assessments have already been undertaken, the College may be able to “fast-track” such cases but nonetheless projects must meet the criteria with regard to institutional plans.
 5. Upon the completion of a capital expenditure project, a final report must be submitted to Development and Finance Committees regarding analysis of actual expenditure against budget.
 6. The Finance Officer will also establish procedures for providing regular statements concerning capital expenditure to the Development Committee and Finance Committees for monitoring purposes.

Accounting policies

1. The Accounting Policies are the specific principles, bases, conventions, rules and practices adopted in preparing and presenting financial statements in the College. The Accounting Policies clarify how the relevant accounting standards apply to individual transactions and balances.
2. The Council is responsible for accounting for the College's financial activity.
3. The accounting policies on which the financial statements of the College are produced should be in accordance with applicable accounting standards and consistent with the requirements to present a true and fair view.
4. The constraints that the College should take into account in judging the appropriateness of accounting policies to its particular circumstances are:
 - the need to balance the four objectives (relevance, reliability, comparability and understandability); and
 - the need to balance the cost of providing information with the likely benefit of such information to users of the financial statements.
5. The Accounting policies shall be applied consistently over the years.

6. The College should regularly review its accounting policies to ensure that they remain the most appropriate to its own particular circumstances. Where this is judged not to be the case, a new policy should be adopted giving due weight to the impact a change would have on comparability between periods.
7. No changes shall be made to the accounting policies except by the authority of the Finance officer with approval from the Finance Committee.
8. The financial statements will be prepared under the historical cost convention, except where stated otherwise.
9. The financial statements shall be prepared in accordance with generally accepted accounting principles. The Accounts submitted by the College shall be in accordance with the Policy
10. The Financial Statements for the Christ the Teacher College of Education shall include:
 - A Statement of Financial Position showing the assets and liabilities at the end of the year;
 - a Statement of Financial Performance for the year;
 - The accounting policies and explanatory notes that form part of the accounts.

Income

1. Income is recognized to the extent that it is probable that the economic benefits will flow to the College and the revenue can be reliably measured.
2. Income is also recognized when cash or services associated with the transaction flow to the College. For cash transactions, the income is recognized on receipt of payments. For other transactions, income is recognized when it is earned by law or contract (e.g. goods or service are supplied by the College).
3. Government appropriations, grants and donations for are recognized as income in the financial year in which they are received.
4. Academic and Residential Facility User fees charged are applicable to one academic and financial year and are recognized in that year.
5. Interest Income: Income is recognized as interest accrued.
6. Rendering of services: Income, involving the rendering of services, is recognized to the extent the service has been provided and it is probable and can be reliably measured. Where the contract outcome cannot be measured reliably, income is recognized only to the extent that expenses incurred are eligible to be recovered.

Expenditure

1. Expenditures are payments made in respect of financial transactions by the College and liabilities incurred in relation to the reporting period for goods and services received from vendors.
2. The College recognizes expenditure when goods or services from suppliers are delivered to the College. Expenditure is also recognized when an obligation has occurred.
4. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.
5. Research costs are expensed as incurred.
6. Library books are written off in the year in which they are acquired
7. Endowment asset investments are included in the Statement of Financial Position at market value. Current asset investments are included at the lower of cost and net realizable value.

Inventories

8. Inventories are valued at the lower of cost and/or net realizable value.

3.2.3 REPORTING REQUIREMENTS

Responsibilities

1. It is the responsibility of the Finance Officer to prepare the financial statements of the College. The financial statements shall cover all transactions and events of the College that utilize budgetary allocations from the College's Funds.

Reporting Period

2. The financial year of the College shall extend from the first day of January until the thirty-first day of December. The annual financial statements shall be prepared and submitted on or before the 31st of March in the following year to the Auditor-General for audit.

Reporting Currency

3. The consolidated financial statements are presented in Ghana Cedis, which is the College's functional and presentation currency.

Disclosure of Accounting Policies

4. The policies used in the preparation of the accounts should be the Generally accepted Accounting Principles and in accordance with Section 38(1 and 2) of the Financial Administration Act, 2003 (Act 654). The policies used for the preparation of the accounts shall be disclosed in the notes to the accounts as well as any significant departures from the policies and the reasons thereof.

General Presentation and Disclosure

5. The financial statements shall be prepared in accordance with generally accepted accounting principles and in compliance with the policy.

Financial Statements

6. The financial statements for the College shall include:
 - a Statement of Financial Position showing the assets and liabilities at the end of the year;
 - a Statement of Financial Performance for the year;
 - Accounting Policies and Explanatory Notes that form part of the accounts
1. The Statement of Financial Position presents the College's financial position at a specific point in time. The adopted format provides how detailed sub-classifications are to be presented and what information is to be disclosed on the face of the Statement of Financial Position or in the notes in addition to the minimum requirements.
2. The following items, as a minimum, have to be presented on the face of the Statement of

Financial Position:

- Assets
- Liabilities
- Net Assets
- Financing which is made up of:
 - General Reserve Fund
 - Endowment Funds

Assets

3. Assets are resources controlled by the College as a result of past events and from which future economic benefits or service potential are expected to flow to the College.

4. Assets are recognized when they are procured instead of when payment is made except for cash transactions where the two may occur at the same time. Therefore, the transactions and events are recorded in the accounting records and recognized in the financial statements of the periods to which they relate, that is reliable and more relevant.

7. Classification of Assets

The following classifications shall be adopted under Assets:

7.1 Fixed Assets

- Land
- Buildings
- Furniture and Equipment (by type)
- Vehicles (by types)
- Information Technology Assets (Hardware and Software)
- Biological Assets

7.2 Long Term Investment

7.3 Other Assets (e.g. Goodwill)

7.4 Current Assets

- Inventories
- Accounts Receivable (by type)
- Prepayments (by type)
- Employees Personal Accounts
- Student Fees Receivable
- Short-term Investments
- Cash at Bank and Cash Equivalents

- Other Current Assets

Liabilities

8. Liabilities are present obligations of the College arising from past events, the settlement of which is expected to result in an outflow from the College resources embodying economic benefits or service potential.

In some cases it is not clear whether there is a present obligation. In these cases, a past event is deemed to give rise to a present obligation if, taking into account all available evidence, it is more likely than not that a present obligation exists at the reporting date.

9. The amount of work required to recognize liabilities depends on the extent to which the College already has information available on those liabilities. General steps in the recognition of liabilities include:

- compiling a list of all types of liabilities incurred by the College;
- determining the categories of liabilities that will be used in the chart of accounts and the financial statements;
- preparing accounting policies for each category;
- assessing the accuracy and completeness of existing information on each category;
- compiling accurate opening balances for each category (identification, application of the definition of a liability, and measurement); and
- establishing systems to support the ongoing requirements of accrual accounting.

Current/non-current distinction

10. Current and non-current liabilities should be presented as separate classifications on the face of the Statement of Financial Position, unless presentation based on liquidity provides information that is reliable and more relevant.

A liability is classified as current if:

- it is expected to be settled in the College's normal operating cycle;
- it is primarily held for the purpose of being traded;
- it is expected to be settled within 12 months after the Statement of Financial Position

Classifications of liabilities

11. The following classifications shall be adopted under Liabilities:

- Liabilities in excess of one year
- Borrowings
- Suppliers' Invoice Payable and Accrued Expenses
- Student Deposits
- Provisions for Employee Entitlements
- Other Provisions
- Contingent Liabilities

Net Assets

12. Net Assets is the difference between the total value of all assets and the total value of all liabilities.

The Composition of Net Assets is:

- Accumulated Fund (Surplus/Deficit)
 - Deferred Capital Grants
 - General Reserve Fund
 - Endowment Funds
- Permanent
 - Expendable

Restricted funds designated for specific activities

- Special Research Funds
- Employees Housing Loan Scheme Fund
- Research and Awards Fund

Other Funds

Accumulated Surplus/ (Deficit)

13. A surplus/(deficit) is the residual amount that remains after expenses arising from ordinary activities have been deducted from income arising from ordinary activities. This net surplus/(deficit) is accumulated over subsequent reporting periods. All items of income and expense recognized in a period should be included in the determination of the net surplus or deficit for the period.

Other Funds or Reserves

14. Other Funds or Reserves cover the College Capital Reserve which arises from the Revaluation of Fixed Assets and Other Reserves.

Events after Reporting Date

15. These are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified -

16. Adjustable and Non Adjustable:

- Adjustable Events: Those that provide evidence of conditions that existed at the reporting date. These are adjusting events after the reporting date. The adjustment shall be made in the Accumulated Fund after the balance brought forward.
- Non Adjustable Events: Those that are indicative of conditions that arose after the reporting date and do not require any adjustment.

Comparatives

17. The Statement of Financial Position, the Statement of Income and Expenditure and the Cash Flow Statement shall have the comparative figures for the previous period.

Comparative information should be included in narrative and descriptive information when it is relevant to an understanding of the current period's financial statements.

18. In some cases, narrative information provided in the financial statements for the previous period(s) continues to be relevant in the current period. For example, details of a legal dispute, the outcome of which was uncertain at the last reporting date and is yet to be resolved, are disclosed in the current period. Users benefit from knowing that the uncertainty existed at the last reporting date, and the steps that have been taken during the period to resolve the uncertainty.

The Finance Committee is responsible for approving a Treasury Policy

Statement setting out a strategy and policies for cash management, investments and borrowings. The Committee has a responsibility to ensure implementation, monitoring and review of such policies.

2. All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Finance Officer who will prepare procedures including an appropriate reporting system. All borrowing shall be undertaken in the name of the College.
3. The Finance Officer will report to the Finance Committee on the activities of the Treasury operations and on the exercise of treasury powers delegated to him/her.

4. The Council is responsible for the appointment of the College's bankers and other professional advisers on the recommendation of the Finance Committee.
5. The Finance Officer with the authorization of the principal may open or close bank accounts with the College's bankers. All requests to the College's bankers to open or close a bank account shall be in writing and signed by both the Finance Officer and the principal.
6. The Finance Officer shall inform the Finance Committee whenever an account has been opened or closed.
7. All bank accounts shall be in the name of the College.
9. A summary of all bank accounts and must be reported annually.
10. The Finance Officer is responsible for ensuring that College bank accounts are regularly reconciled, and that there are adequate procedures to ensure security Signatories to bank accounts
 1. Details of bank mandates and of authorized signatories and limits shall be provided for in the procedures which are available internally to the Finance Directorate. Details of bank mandates and of authorized signatories shall be approved by the Finance committee
 2. Officers responsible for committing, certifying, or authorizing the receipt/disbursement of funds shall judiciously and honestly carry out their duties in the best interest of the College. For this and other control reasons, two signatures are required on all cheques drawn on the Christ the Teacher College of Education-controlled bank accounts.
 3. All cheques drawn on behalf of the College must be signed in the form approved by the Finance Committee.
 5. All requests for the creation of authorized signatories must be in the prescribed format.
 6. In accepting the role of an authorized signatory, the individuals concerned must familiarize themselves with The Financial Management Policy and ensure compliance thereto.
 7. The use in The Financial Management Policy of the term "authorized signatory" shall encompass electronic as well as written signatures. The term "electronic signature" means data in electronic form which are attached to or logically associated with other electronic data and which serve as a method of authentication. Electronic signatures must only be used in such circumstances and for such transactions as have been approved in advance by the Finance officer.
 8. All such electronic signatures shall take such form and technical specification as required by the Finance Officer. In all cases, electronic signatures must be:
 - uniquely linked to the signatory;
 - capable of identifying the signatory;

- applied using means that the signatory can maintain under his or her sole control;
- linked to the data to which it relates in such a manner that any subsequent change of the data is detectable.

9. Employees are reminded that the misuse of electronic signatures, including using the signature of another person, is forbidden with regard to electronic signatures as it is for written signatures. In both cases, misuse shall lead to disciplinary action and a report to the Police.

10. It is forbidden for a member of staff to apply another person's signature, whether written or electronic, even if this is done at their request. In such cases, both persons are at fault and may face disciplinary and / or criminal sanctions.

Cash management

1. The Council may invest the funds of the College that are not required for immediate use as it considers appropriate.
2. The finance committee is responsible for the College's cash management system.

The Finance Officer is responsible for the College's investment activities carried out in accordance with the policy established by the finance Committee.

3. The finance Committee is responsible for developing, implementing, and maintaining a cash management system that meets the following objectives:

- Provide the capacity to forecast operating cash requirements and provide an early warning system for potential problems.

- Assist the finance Office in maximizing the rate of return on the investment of College cash balances by providing cash flow forecasts that establish the amount of cash needed to meet daily working capital requirements as well as the amount of cash that can be committed to long-term rather than short-term investments.

- Identify individual accounts and funds that contribute to negative cash flow situations and recommend corrective action steps. •Establish and maintain appropriate corporate banking relationships to provide for the receipt and disbursement of all College funds.

5. The finance Office will report on the performance of the Investments at each meeting of the Investment Committee.

Cash

1. The term cash includes currency, cheques and money orders and direct deposit to the bank.
2. All monies received from whatever source must be recorded on a daily basis together with the form in which they were received. Receipts must be given where money is paid using official College receipt.

Endorsement

3. All cheques must be restrictively endorsed to the College immediately upon receipt.

The endorsement must include "For Deposit Only to Christ the Teacher College of Education".

Frequency of Deposit

4. To safeguard cash and to ensure the timely and proper posting of accounts, cash receipts must be deposited intact on the day of receipt at the bank or for deposit in the College finance Office

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Place of Deposit

5. Cash must be deposited with the finance Office or at designated Banks.

Safekeeping of Cash

6. Cash must be physically protected through the use of vaults, locked cash drawers, cash registers, locked metal boxes, etc.

Separation of Duties

7. Accountability for the handling of cash must be assigned to a specific individual or individuals and there must be a clear separation of duties between the individual(s) receiving cash and the individual(s) responsible for maintaining the accounting records.

. Private Use of Balances

8. All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the College.

INCOME

1. The Income of the College include
 - a. subventions from the Government of Ghana;
 - b. monies that accrue to the College in the performance of its functions consisting of:
 - fees paid by students duly registered by the College;
 - fees, charges and dues in respect of services by or through the College;
 - Proceeds from the sale of publications of the College;
 - Grants, subscriptions, rents and royalties;
 - c. interest from investments;
 - d. endowments, donations and gifts; and
 - e. monies from any other source approved by the Council.

Maximization of Income

2. The Finance Officer is responsible for ensuring that appropriate procedures are in operation to enable the College to receive all income to which it is entitled. All receipt forms, invoices or other official documents in use and electronic collection systems must have the prior approval of the Finance Officer.
3. Levels of charges for contract research, services rendered, goods supplied and rents and lettings are determined by procedures approved by the Finance Committee. Proposals to amend charges should be sent to the Finance Officer for approval by the Council taking into account the College's academic policies and needs. The approval of fees and charges shall include any installment and credit arrangements.
4. The Finance Officer is responsible for the prompt collection, security and banking of all income received.
5. The Finance Officer is responsible for ensuring that all grants approved as part of the National Budget through the National Council for Tertiary Education are received and appropriately lodged in the College's accounts. He/ she is also responsible for ensuring that all claims for funds are made by the due date.
6. It is the responsibility of all employees to ensure that income due to the College is maximized by the efficient application of agreed procedures for the identification, collection and banking of such income. In particular, this requires the prompt notification to the Finance Officer of sums due so that collection can be initiated.

7. All monies received from whatever source must be recorded on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments.
8. All monies received must be paid to the finance Office promptly,
9. All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the College.

Collection of Debts

10. The Finance Officer is responsible for ensuring that appropriate procedures are in operation so that:
 - debtors invoices are raised promptly on official invoice stationery, in respect of all income due to the College;
 - invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account;
 - any credits granted are valid, properly authorized and completely recorded;
 - monies received are posted to the correct debtors account;
 - swift and effective action is taken in collecting overdue debts; and
 - outstanding debts are monitored and reports prepared for management.

11 The Finance Committee shall develop a credit policy for the College

With the Finance Officer implementing the credit arrangements. Any subsequent changes to standard credit terms must be submitted to the Finance Committee for approval.

12. Requests to write off debts must be referred in writing to the Finance Officer for submission to the Finance Committee for the consideration of the council
1. The College should recognize fees and charges when the rights to consideration exist and contractual performance has taken place.
 2. The College shall have a policy of full cost recovery in the determination of fees and charges including charges due for admission, registration, accommodation, programmes of study, examinations, and conferment of diploma and otherwise.
 3. The Finance Officer is responsible for ensuring that all student fees and other charges due to the College are received.
 4. The procedures for collecting fees and other charges must be approved by the Finance Committee on the advice of the Finance officer.

5. Any student who is indebted to the College shall not receive the

Certificate for diploma or other qualification awarded by the College until the outstanding debt has been cleared in full. The accounting and disclosure requirements set out in policy no. 2001.

PROCUREMENT OF GOODS, WORKS AND SERVICES

Procurement Process

1. All orders must comply with the Public Procurement Regulations.
2. Orders produced from the College's finance system must be used for the purchase of all goods and service.
3. Potential new suppliers must be registered with the College before they can be accepted as approved suppliers.
4. Issue and receipt of tenders is by the Procurement Unit, who will also be involved in the evaluation of bids and formal contracts award.
5. Works and Construction Contracts shall be administered by the Development committee.
6. Proposals will normally be initiated by the works and Development in respect of planned replacements, general improvement schemes, space planning or in response to requests from a department
7. Adherence to cost limits approved by the finance Committee will be monitored and reported by the finance officer who will report any actual or anticipated variances, together with the reasons, to the Finance Committee.
8. Consultants may be appointed if the project is too large or too specialized for Development committee. Consultants will normally be selected from amongst those listed in the College's framework agreement and appointed subject to tendering procedures.
9. Proposals for capital projects shall be presented in the form of a Business Case including where appropriate an investment appraisal.
10. The achievement of value for money will be an objective in the letting of all contracts. No contract will be placed for a period beyond which a budget has been approved unless specifically approved by the Finance committee.

Receipt of Goods

1. Goods supplied shall be delivered to the College's designated Stores. The store where the goods are to be delivered must be clearly specified on the Purchase Order or Contract.

The supplier's Waybill or Delivery Note and VAT Invoice shall accompany all goods delivered.

2. On arrival of goods at the stores, goods are verified against the specifications on the Purchase Order to ensure that the correct items have been delivered in the required quantities. The Head of Procurement shall constitute the Inspection Team, which shall include Storekeeper, Internal Auditor, User Department Representative or External Expert and Security Officer.

The size of the team will depend on the complexity and value of the items supplied.

3. When the goods are found to be satisfactory, the Waybill or Delivery Note and Invoice is stamped and signed by the Leader of the Inspection Team and the Storekeeper to confirm that:

Goods actually received are in accordance with the Waybill or Delivery Note.

Goods on the Waybill or Delivery Note agree with the Specification on the Purchase Order or Contract.

- Goods delivered are neither defective nor sub-standard.
- Goods are delivered on schedule.

The Storekeeper shall also sign copies of the Waybill or Delivery Note to confirm receipt of Goods.

4. Where goods are found to be unsatisfactory in terms of being defective, improperly specified, variation in prices compared to the Purchase Order, the Inspection Team shall reject the order immediately without accepting the items into store.

5. Where quantity of goods delivered is short of the quantity specified on the Purchase Order or contract, the Inspection Team may accept partial delivery if:

- The Purchase Order or Contract made room for partial delivery;
- If the team is convinced that the supplier is committed to delivering the difference in an acceptable period, which will not adversely, affect College business;
- Partial acceptance shall not result in the disgruntlement of unsuccessful bidders.

6. In the case of goods being found to be unsatisfactory or quantity delivered short of the quantity ordered; the Inspection Team shall submit a report as such to the Head of Procurement.

7. When goods are delivered after the agreed scheduled date and time, the principal in consultation with the Head of Procurement shall decide as to whether it amounts to significant breach of contract and therefore may decide to:

- accept the item with warning letter to the supplier;
- Reject the items outright;

- Apply the delayed delivery clause of the contract.

Receipt of Works and Services

8. Works and Services shall be delivered to the college

The Works or Services shall be certified by the development committee or a designated Expert Organization.

9. When receiving imported goods, the Head of Procurement may contact the Ghana Revenue Authority and Ministers of Education & Finance and Economic Planning for Import Duty exemptions. It is however the responsibility of the Suppliers to deliver the goods to the specified destination such as the Store of the College.

INVENTORY MANAGEMEMENT

The principal is responsible for establishing adequate arrangements for the custody and control of stores and for ensuring that such stores are adequately protected against loss and misuse. The systems used for stores accounting in must have the approval of the Finance Officer.

2. Principal is responsible for ensuring that annual inspections and stock checks are carried out. Stores of a hazardous nature must be subject to appropriate security and health and safety checks.
3. Stocks which require valuation in the statement of financial position must go through stock-taking procedures the approved by the Finance Officer.
4. Stock-taking must take place at least once a year and where continuous stock records are not maintained this must be at 31st December each year.
5. The stock figure must be produced by carrying out a full stock count by a nominated officer, or by maintaining continuous stock records which have been undertaken on a cyclical basis.

Such counts will be subject to audit checks. The Finance Officer must approve any method other than that outlined above, of valuing stock.

6. Stock must be reconciled to the College's financial records.
8. If an item of stock is still usable but no longer required by the holding Unit then it should be offered to other similar Units before disposal takes place. Other alternatives should be considered such as charity donations prior to disposal.
9. A Board of Survey shall have the responsibility for the disposal of written off and unusable items of stock.

10. Once disposal has been agreed upon, the item should be removed from the physical stock location and counted to compare with the quantity held in the stock management and any adjustments to the quantity accounted for.

11. The stock item should then be disposed of in accordance with the laid down procedure including the procedures for disposing of hazardous substances and chemicals.

12. For future reference and auditing purposes the Head of Stores should retain documentation of all types of disposals of stocks.

The Finance Officer is responsible for deciding the most appropriate method of payments.

1. All payments will normally be made by cheques
2. Payments will only be made by the Finance Officer against invoices that have been matched to Purchase Orders and Stores Received Advice.

1. The College's purchasing and payments procedures are in place to enable the majority of goods and services to be procured through the creditor payments system without employees having to incur any personal expense. However, on some occasions, employee may incur expenses, most often in relation to travel, and are entitled to reimbursement.

2. Where such expenditure by employees is planned, the Finance Officer and the Principal may approve cash advances to employees who are going to incur expenditure on the College's behalf.

3. Within *one week* of completion of the travel or project to which the advance relates, a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final account for an earlier advance to an individual is still outstanding.

4. Unaccounted advances shall be charged against employee salaries.

1. All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed on a form approved by the Finance Officer.

2. Payment of approved allowances for members of the Council will be will be based on standard amounts for each individual, but only reasonable expenses can be reimbursed.

3. Claims by employees must be authorized by the principal. The certification shall be taken to mean that:

- journeys were authorized;
- the expenses were properly and necessarily incurred;
- the allowances are properly payable by the College;

- consideration has been given to value for money in choosing the mode of transport.
- 4. Travel and subsistence reimbursement claims must be made on College claim forms or other forms or means approved by the Finance Officer. Rates of reimbursement are set by the Finance Committee.

Overseas travel

- 5. All arrangements for overseas travel must be in accordance with the Christ the Teacher College of Education International Travel Policy. Any approvals required must be obtained in advance of committing the College to those arrangements or confirmation of any travel bookings.
- 6. Where spouses, partners or other persons unconnected with the College intend to participate in a trip, this must be clearly identified in advance. In these circumstances, the College will not arrange or pay for the travel but will re-imburse the individual for the business portion of the cost.

Local Travel and Subsistence

- 7. The following conditions apply to travel and subsistence expenses:
 - a. Only actual expenditure incurred on College business will be reimbursed, in accordance with the rates set by the Finance Committee.
 - b. Supporting vouchers for the cost of accommodation, food and other items of expenditure must be produced.
 - c. Where a claim is made for use of an employee's vehicle the vehicle must be adequately insured.
 - d. Subsistence expenses will only be paid where the employee is required to be away from their normal place of work.
 - e. Employees cannot be reimbursed for the cost of travel between home and normal place of work other than in exceptional circumstances unless the principal gives prior written consent
 - f. Expense claims for employees' own mobile telephone calls and rental costs are not normally reimbursable.
 - g. No one shall authorize reimbursement of his or her own expenses. Claims should, be approved by the principal
 - i. Requests for advances must be made on Christ the Teacher College of Education Accountable Imprest forms giving details of dates and places to be visited and a breakdown of the advance required. Claimants must submit full documentation promptly.
 - j. Accounting for the claims against advances must be completed within one week of the return from the trip.

1. The finance office is responsible for establishing monthly accounting closing school
3. The Units shall complete all books of accounts¹¹ and ensure the resultant information is submitted monthly to the National Council for Tertiary Education (NCTE).
6. All assets and liability accounts in the ledger shall be supported by and agreed with lists of specific individual items.

Thus the following shall be supported at the end

Item	Supporting Document
Cash at bank	<ul style="list-style-type: none"> a bank reconciliation statement.
Cash	<ul style="list-style-type: none"> a balance on the cash book itself supported by a cash reconciliation statement and a cash certificate. Cash certificate produced from quarterly cash count under the observation of auditors. Stocks a list of control totals from the stores ledger cards, which in turn would have been agreed to individual stock items as part of the stores ledger section's monthly procedures. Stock certificate produced from a stock count under the observation of auditors.
Student debtors	<ul style="list-style-type: none"> a list of individual items.
Liabilities	<ul style="list-style-type: none"> list of balances on the liabilities ledgers

7. When all postings have been made and ledger balances are supported as required, a trial balance is extracted to ensure that the entries in the ledger have been correctly posted.
8. The audited financial statement for the financial year is submitted to the finance committee for onward transmission to council at the end of the first quarter of the ensuing year.

ANNUAL CLOSINGS/FINANCIAL STATEMENT

1. The Finance Officer is responsible for:
 - Establishing the annual financial closing and related audit with the Auditor General;
 - Establishing all closing schedules to ensure that the financial statements are completed by the end of the third month after the year end; and
 - Preparing the financial statements in accordance with Generally accepted Accounting Principles.
2. The Annual Financial Statement includes:
 - A Statement of Financial Position at the end of the year;
 - A Statement of Income and Expenditure for the year;
 - Notes to give details of specified items in those accounts
4. The financial statements shall be subject to annual audit by the external auditors as appointed by the Auditor General.

REPORTING TO OUTSIDE AGENCIES

1. The Finance Officer is responsible for the timely preparation, approval and submission of all required financial reports, including interim and final financial reports required under grant and contract agreements.
 2. The Financial Accounting System is the source for preparation of all required financial reports.
 3. Any financial information included in reports to any third party, either directly or by reference, must be approved by the Finance Officer prior to distribution.
1. External and internal auditors shall have authority to:
 - Access College premises at reasonable time;
 - Access all assets, records, documents and correspondence relating to any financial and other transactions of the College;
 - require and receive such explanations as are necessary concerning any matter under examination;
 - require any employee of the College to account for cash, stores or any other College property under his or her control;
 - Access records belonging to third parties, such as contractors, when required.

2. All auditors should respect the confidentiality of information to which they have access in the course of their work.
3. All the activities within the responsibility of Council are included in the audit remit.
4. Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other assets of the College or any other suspected irregularity in the exercise of the activities of the College, notice shall be given the Finance Officer and the principal who shall take such steps as they consider necessary by way of investigation with the involvement of the of Internal Auditor.

INTERNAL AUDIT

1. The prime responsibility of the Internal Audit Unit is to provide Council, the Principal and the other managers of the College with assurance on the adequacy and effectiveness of the internal control system, including risk management and governance. It also seeks to ensure that propriety, efficiency, economy and effectiveness are achieved in all areas of the College's activity.
2. Responsibility for internal control remains fully with management. The Internal Audit Unit should provide 'reasonable assurance' on the effectiveness of the internal controls being implemented to provide guarantees against material errors, loss or fraud.
3. The Internal Audit Unit may also provide advice, especially before new or revised systems are to be introduced, subject to the need to maintain their independence.
4. The of Internal Audit is required to report periodically to the Audit Report implementation Committee through the principal on the work of the Unit and to give an opinion on the status and reliability of internal controls Within the College.

The head of Internal Audit is to ensure that the College's accounting procedures and internal control systems are audited and report submitted in accordance with the provisions of the Internal Audit Agency Act, 2003 (Act 565) and standards, guidelines and instructions issued by the Internal Audit Agency Board in line with the Act.

1. The Auditor General is responsible for the external audit of the accounts of the College
2. The primary role of external audit is to report on the College's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds.
3. The External Auditors will audit the College's books of account and report on the College's annual financial statements to the Finance Committee and the Council of the College at the meetings which consider and approve these. They will in their report:

- state whether in their opinion the financial statements show a true and fair view of the statement of balances at the year end and of the income and expenditure, and for the year then ended;
- state whether in all material aspects monies expended from whatever source, administered by the College for specific purposes, have been properly applied to these purposes and if appropriate managed in compliance with any relevant legislation.

OTHER MATTERS

1. Gifts, Benefactions and Donations: The Finance Officer is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the College.
2. Trust/Endowment Funds: The Finance Officer is responsible for maintaining a the requirements for each Endowment/Trust Fund and for advising the Finance committee on the control and investment of fund balances. The Finance Committee is responsible for ensuring that all the College's Endowment/Trust Funds are operated within any relevant legislation and the specific requirements for each Endowment.
3. Financial and related documents shall normally be retained in a secure and accessible manner. The original records may be kept in an electronic format at the discretion of the

Finance Officer.

1. Preservation of records shall be governed by:
 - The Limitation Decree, 1972 (NRCD 54) which makes it necessary to keep financial and accounting records until such time as claims by or against government are statute barred; and
 - The Public Records and Archives Administration Act 1997, (Act 535).
2. The College shall establish a repository or repositories to hold all financial and accountings records that are no longer required for regular office references.

APPENDIX III

TERMINOLOGIES & INTERPRETATIONS

Owing to the diverse nature of activities in the Christ the Teacher College of Education, a wide range of terms are in use by committees, employees and other persons connected to the College. The following general terms have been used in these Regulations.

These terms are to be understood as used in the College Statute unless the context of the

Regulation requires otherwise

Accounting system	An organized set of manual and computerized accounting methods, procedures, and controls established to gather, record, classify, analyse, summarise, interpret, and present accurate and timely financial data for management decisions in the College.
Associate company	An entity over which the College has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or jointly control these policies. If the College holds, directly or indirectly, 20% or more of the voting power of the investee, it is assumed that the College has significant influence unless it can be clearly demonstrated that this is not the case.
Assets	Any item of economic value owned by the College especially that which could be converted to cash. Examples are cash, accounts receivable, inventory, office equipment, buildings, vehicles, and other property.
Bequest	The transfers of wealth that occur upon a donor's death including transfers by means of a will or a trust.
Best practices	A technique or methodology that, through experience and research, has proven to reliably lead to a desired result.
Block grants	Relates to a sum of money granted by the national government with only general provisions as to the way it is to be spent. This can be contrasted with a restricted/ specific grant which has more strict and specific provisions on the way it is to be spent.

Budget	A quantitative and/or financial statement prepared prior to a defined period of time, of the policy to be pursued during the defined period. It indicates the resources that have to be made available or which are available for the different tasks that have to be undertaken to attain defined objectives or goals in the defined period.
Budget holder	The persons authorized to incur expenditure under specified account codes or budget centres.
Budgetary Control	Methodical control of the College's operations through establishment of standards and targets regarding income and expenditure, and a continuous monitoring and adjustment of performance against them.
Capital grant	Funds allocated to support the physical infrastructure of the College. These funds are designed to recognize that good quality buildings, equipment and information technology are essential to academic excellence in teaching and research.
Capital projects	Long-term investment project requiring relatively large sums to acquire, develop, improve, and/or maintain (such as land, buildings, roads).
Cash flow	Cash flow statements provide a look at the movement of cash in and out of statement the College. These statements include information from operating, investing, and financing activities. As an analytical tool, the statement of cash flows is useful in determining the short-term viability of the College, particularly its ability to pay bills, handle expenses, and acquire assets.
Consolidated	Comprise the financial statements of the College and its subsidiaries/Financial Statements associates as at the end of the financial year.

Depreciation	A non-cash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence. Most assets lose their value over time (in other words, they depreciate), and must be replaced once the end of their useful life is reached.
Employee	Senior members and employees of the College.
Endowment Fund	A special account that is established in order to generate revenue that will be used for a specific purpose. Funds of this type are sometimes established to create an income stream to fund research projects, provide scholarships to qualified applicants, or even to supply aid to individuals who apply to the fund for financial help.
Extra-ordinary	Extra-ordinary items are characterized by the fact that they arise from events items or transactions that are distinct from the College's ordinary activities, are not expected to recur frequently or regularly and are outside the control or influence of the College.
	Financial Period for which an organization prepares its internal or external accounts period/year or the period covered by the financial statements. For internal accounts, it may be a month or a quarter; for external accounts it is normally a period of 12 months.
Financial and Controls	A systematic effort by management to compare performance to management predetermined standards, plans, or objectives in order to determine whether performance is in line with these standards and presumably in order to take any remedial action required to see that human and other resources are being used in the most effective and efficient way possible in achieving the College objectives.
Financial plan	The long-term process of wisely managing the College finances so that it can achieve its goals.

Financial statement	Records that provide an indication of the College's financial status. There are four
	basic types of financial statements: statement of financial position, statement of income and expenditure, cash-flow statements, and accounting policies and explanatory notes.
Fundamental errors	Fundamental errors are errors that have such a significant effect on the financial statements of one or more prior periods that those financial statements can no longer be considered to have been reliable at the date of their issue.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee.
Lease	A lease is a legally enforceable contract which defines the relationship between an owner, the lessor, and a renter, the lessee. A typical lease spells out all of the terms involved in a land or merchandise rental agreement, including the length of time a lessee may use it and what condition it must be in upon return to the lessor.
Liabilities	The College's legal debts or obligations that arise during the course of business operations. Liabilities are settled over time through the transfer of economic benefits including money, goods or services.
Nolan Principles	The seven principles identified by the Committee on Standards in Public Life.
Risk management	Risk management is a logical process or approach that seeks to eliminate or at least minimize the level of risk associated with a business operation. Essentially, the process identifies any type of situation that could result in damage to any resource within the possession of the company, including personnel, then take steps to correct factors that are highly likely to result in that damage.

Segment	A recognized component of the College that is engaged in undertaking activities and providing services that are subject to risks and returns different from those of other segments.
Statement of	A financial statement that summarises the College's assets, liabilities Financial Position and equity at a specific point in time. The statement of financial position gives an idea as to what the College owns and owes, as well as the amount invested in it.
Statement of Income	A financial statement that measures the College's financial performance and Expenditure over a specific accounting period. Financial performance is assessed by giving a summary of how the College incurs its income and expense through both operating and non-operating activities. It also shows the net profit or loss incurred over a specific accounting period, typically over a fiscal quarter or year.
Subsidiary company	Entities for which the College, directly or indirectly, has the power to govern the financial and operating policies of the entity so as to obtain the benefits from its activities.
Subvention	A subsidy, grant of financial aid given by a government to an institution.
True and fair view	Words used in a company's accounts by auditors to show that they think the accounts give correct and complete information about a company's financial situation.

Value for money	Value for Money (VfM) is the term used to assess whether or not an organization has obtained the maximum benefit from the goods and services it acquires and/ or provides, within the resources available to it. It not only measures the cost of goods and services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness and convenience to judge whether or not, when taken together, they constitute good value. Achieving VfM may be described in terms of the 'three Es' - economy, efficiency and effectiveness.
Virement	The agreed transfer of money from one budget heading, to which it has been allocated, to another budget heading.
IPSAS	The term IPSAS includes all applicable International Financial Reporting Interpretations Committee (IFRIC) Interpretations issued by the International Accounting Standards Board (IASB).