

Welton St. Mary's Church of England Primary Academy



Our Vision

As an inclusive Christian community we value each person, seeking to release everyone's full potential as promised by Jesus Christ. We seek to provide a safe, inspiring and creative learning environment providing opportunities for all to flourish. Through challenge, support and care, we strive for excellence in all that we do; always building on the foundations of shared values with consistently high expectations rooted in God's love. Together we are encouraged to be agents of positive change in this world.

'May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit.' Romans 15:13

Together we care, learn and thrive

Finance Policy

Approved November 2025
Updated to show temporary scheme
of delegation in absence of FOM

WELTON ST MARY'S CHURCH OF ENGLAND PRIMARY ACADEMY

FINANCE POLICY 2025/2026

1 Introduction

The governing body recognises that it is ultimately responsible for the financial management of the academy and has produced this policy document to help it fulfil those responsibilities.

2 Organisation

In view of the importance and complexity of financial management in the academy, the governing body has established a Finance and Premises Committee to enable due consideration to be given to all financial matters.

The governing body determines the membership and proceedings of the Finance and Premises Committee. The governing body also reviews the establishment, terms of reference, constitution and membership of the Committee annually. The membership of the Committee may include associate members, provided that a majority of members of the Committee are governors.

The governing body has delegated a number of its powers to the Finance and Premises Committee (details of roles and responsibilities are set out later in this policy document).

The Finance and Premises Committee members are:

- Mrs N Gough
- Claire Tunstall
- Ms Kelly Carchedi
- Mr Joshua Lock

Others attending include:

- Mrs I Lemon (Clerk to Governors)
- Mrs J Ducker (Finance & Operations Manager)

The Chair of the Finance and Premises Committee is Claire Tunstall.

The Finance and Premises Committee plans to meet four times each year:

November	<i>to receive the first draft end of year accounts to consider the first budget monitoring report for the year</i>
February	<i>to consider the second budget monitoring report of the year</i>
May	<i>to consider the third budget monitoring report for the year</i>

June

to consider the final budget monitoring report for the year and to agree the budget for the new financial year

The Finance and Premises Committee will report, and make recommendations, to the full governing body. Minutes of each Finance and Premises Committee meeting will be presented to the next meeting of the full governing body.

Finance and Premises Committee members will be required to maintain strict confidentiality with respect to payroll and other sensitive information presented to them.

Accountants and Auditors are:

Streets
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

3 Roles and Responsibilities

The governing body recognises the importance of governors, Finance and Premises Committee members, the Headteacher and staff being clear about their respective roles and responsibilities with regard to the financial management of the academy. This section sets out those roles and responsibilities

3.1 The governing body will:

- agree, and record in writing, the roles and responsibilities of the Finance and Premises Committee and Headteacher
- review those roles and responsibilities on an annual basis in September
- elect the Finance and Premises Committee members each year in September
- approve the academy's budget each year, ensuring that a copy is attached to the minutes of the meeting in July each year
- ensure the Finance & Operations Manager submits the approved budget to the ESFA within the specified timescale
- approve the academy's original and revised financial plans each year
- to limit the academy's ability to over spend on the budget
- contact the ESFA and seek approval to overspend where this seems unavoidable
- authorise the academy's applications for loans
- satisfy itself that the Finance and Premises Committee and Headteacher are fulfilling their responsibilities as set out in this policy document
- review detailed budget monitoring reports each term, ensuring that copies are attached to the minutes
- record in writing the transaction/process authorisation limits, etc. relating to the academy's financial system for relevant members of staff (see Appendix A)
- agree the academy's virement policy (see Appendix C)
- the policy should clearly state what financial levels have been delegated to individuals: E.g. budget holders for procuring goods/services; placing orders/goods receipting etc. and virements.
- review the academy's charging policy on an annual basis

- ensure that the school fund is audited each year
- ensure that the Auditor and Chair have a signed statement confirming that the school fund has been audited
- review the financial training needs of governors, the Headteacher and staff on annual basis and fund training needs, as appropriate.
- ensure that the academy's Register of Business Interests and Conflict of Interests is kept up to date
- ensure that a Statement of Internal control is completed and signed each year
- review this policy document on an annual basis

3.2 The Finance and Premises Committee will:

- familiarise themselves with this policy document and their roles and responsibilities
- ensure that the academy complies with the Academies Financial Handbook, as approved by the Secretary of State
- familiarise themselves with the way in which academies are funded
- contact the ESFA for advice in relation to leasing arrangements, as appropriate
- produce a timetable of meetings at the start of the year outlining their key purpose
- consider the draft budget papers prepared by the Finance & Operations Manager, with oversight from the Headteacher.
- consider the draft medium term finance plan prepared by the Finance & Operations Manager, with oversight from the Headteacher consider budget-monitoring reports produced by the Finance & Operations Manager, with oversight from the Headteacher throughout the year
- monitor the financial performance of all contracts (where applicable) throughout the year
- ensure that the academy obtains value for money
- use management information, particularly that supplied by the ESFA, to challenge the way in which the academy uses its financial resources. The Consistent Financial Reporting website can also be used to assist with comparisons
- ensure that the academy complies with the ESFA's financial regulations
- ensure that the academy does not overdraw its bank account (where applicable)
- ensure that the academy produces a Best Value Statement and adheres to it
- scrutinise the financial benchmarking data and use it when setting a best value budget
- report to the full governing body
- ensure that audit recommendations are implemented within a reasonable timescale
- ensure that the academy has a list of certifying officers for the purpose of signing cheques, certifying employee claims etc. and review this on an annual basis
- ensure that assets are disposed of in accordance with the guidance set out in, section 5.24 of the Finance Handbook
- ensure that the VAT is claimed within set timescale
- ensure the main budget is audited and all returns completed and submitted within set timeframe
- ensure the musts and shoulds of the Academy Financial Handbook is reviewed min twice a year, with actions to ensure it is fully compliant.

3.3 The Headteacher will:

- familiarise him/herself with this policy and his/her role and responsibilities
- ensure that Academy Development Plan priorities are properly costed and linked to the academy's budget and finance plan
- monitor the budget on a monthly basis

- oversee the day to day running of the academy's financial administration and ensure that the ESFA's timetable is adhered to
- ensure that proper checks and controls are in place to cover day to day activities. (Advice on internal checks and controls should be sought from the academies accountant audit team)
- authorise transactions/processes within the academy's financial system up to limits agreed by the governing body.
- act as an authorised signatory for the purposes of signing cheques, certifying employee claims, etc.
- review reconciliations and returns on a regular basis and initial documents as evidence that such checks have been carried out
- carry out monthly checks on income processes, traced from receipting through to banking
- Check that the claims entered by the finance administrator have been entered on to the payroll portal, check the payroll report prior to approving
- approve new starter/leaver forms and submit to the finance administrator for uploading to the payroll portal
- ensure that the school fund records are kept up to date
- ensure that school fund's annual accounts are prepared, audited, approved by the full governing body and submitted to the Charity's Commission in the timescale specified
- agree virements up to his/her authorised limit (see Appendix C)
- ensure VAT is correctly accounted for
- countersign cheques
- Approval 2 of any Lloyds Commercial BACs payments
- approve credit card payments once reconciled by the Finance Administrator
- ensure an inventory is maintained
- approve all fixed asset disposals
- ensure that assets are disposed of in accordance with the guidance set out in, section 5.24 of the Finance Handbook
- ensure any debts are monitored and contact the customer to agree a payment plan if all other form of communication has failed.
- Check and approve the monthly payroll

3.4 The Finance & Operations Manager

- prepare draft budget papers and a medium term finance plan
- produce budget-monitoring reports throughout the year and make these available to the trustees via a secure area on the website
- maintain the accounting records using the academy's financial package
- carry out transactions/processes with the academy's financial system up to limits agreed by the governing body (see Appendix A)
- submit income and expenditure statements, VAT returns, etc. to the ESFA and HM Customs within the specified timescales
- ensure any fixed asset for disposal is recorded on the depreciation spreadsheet
- reconcile the control accounts for VAT
- Ensure the budget is submitted to the ESFA and the BFR is submitted within the required timescale
- Ensure the land and buildings return is updated and returned to the DFE within the required timescale
- contact the academy's accountant with concerns or queries regarding financial administration
- ensure the high interest 32-day notice account is monitored and authorisation for funds withdrawn or invested approved by the Headteacher

- produce a payroll checklist for each period, detailing new starters, leavers, claims to delegate duties to the finance administrator, Headteacher and Finance & Operations Manager
- ensure that the payroll (Dataplan) variance report is run on a monthly basis, as close to 23rd of the month as possible, and that checks are undertaken to ensure the data is correct
- ensure that any budgets that are delegated to senior staff or departments operate within a similar control regime, i.e., with regard to budget monitoring and reporting etc. carry out bank reconciliations fortnightly for budget and petty cash account reconcile all credit card payments against the statement and attach receipts
- countersign cheques
- ensure all cheque stubs are initialled by two signatories
- Approval 1 of any Lloyds Commercial BACs payments
- ensure all new starters/leavers are uploaded to the payroll portal
- check the payroll each month prior to pay date in order to rectify any queries/discrepancies against claim forms submitted including de-ductions
- ensure correct staff deductions are entered on the Payroll spreadsheet for submission to Payroll
- ensure all contractual changes are uploaded to the payroll portal
- ensure all TLR's are correctly entered on the payroll portal
- ensure support staff 5-year service awards are entered on the payroll portal and the correct number of weeks worked is updated
- ensure P45/46 submitted to Payroll and action taken for staff placed on emergency tax and incorrect tax codes
- ensure Maternity leave forms submitted to Payroll in a timely manner
- ensure staff are issued with contracts and copies kept on staff personal file
- ensure annual incremental increases are submitted to Payroll
- ensure staff are registered to receive electronic payslips and other documents (e.g. P60's)
- provide a copy of the audited accounts to the Clerk to Governors for approval and signing off
- all fixed assets with a value of £500 or more are added to the accountancy software and depreciation spreadsheet produced on a yearly bases. (Laptop/ IT equipment under £500 will also be added to the fix assets register due to them having a life span of well over 1year)
- ensure any fixed asset for disposal is recorded on the depreciation spreadsheet
- ensure that a payroll (Dataplan) journal is entered on the accounting package, as close to 23rd of the month as possible
- submit the school fund accounts data to the Charity Commission within the required timescale
- ensure depreciation is entered on the accounting package Yearly
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3. The Finance Administrator

- ensure all income and expenditure is entered on the school fund spreadsheet
- ensure all banking is recorded, cheques sent to the processing centre and cash banked periodically (due to small volumes of cash now used in school) at the local post office
- ensure all debit/credit card payments for the school are processed and recorded
- ensure all +Pay payments are reconciled (parent mail payments from parents)
- ensure all payroll claims are entered on the payroll portal (Dataplan) spreadsheets and provided to the Finance & Operation Manger then the Headteacher for checking

- create invoices for EA work undertaken by the Head Teacher and teachers ensuring correct amount is being claimed
 - create various financial forms for completion by staff (i.e. claim forms, expenses forms, pro-forma for EA work undertaken by Headteacher and teaching staff)
 - create all invoices on the school's accounting package (Xero)
 - ensure children entitled to FSM/PP receive the relevant discount for school trips, Swimming etc as outlined within the schools Pupil Premium policy.
 - invoice outside agents the correct fee for hiring of the school hall
 - processing refunds on ParentMail where appropriate
 - liaise with companies when running trips to negotiate discounts
 - to set up payment plans for parents paying for school trip
 - ensure the school fund is submitted for auditing in a timely manner
 - ensure all payments for trips/Clubs/Sales of water bottles etc. are entered through +Pay
 - countersign cheques and approval of BACs payments
 - ensure all cheque stubs are initialled by two signatories
 - creation of Lloyds Commercial BACs payments
 - monitor outstanding debts and send reminder letters via the accounting package
 - notify the Headteacher of any outstanding debts which have not been recovered after 3 months
 - ensure all banking is recorded, cheques sent to the processing centre and cash banked fortnightly at the local post office
 - ensure that purchase orders are raised prior to ordering goods/services, wherever possible, to aid effective budget monitoring and management £500 whenever time allows and for ALL goods/services over £1000 ensure that payments are made to suppliers within the academy's payment policy, i.e. 28 days of the date of the invoice
 - ensure that, where appropriate, claims for sickness absence scheme are made promptly and no later than 7th of each month
 - produce new starter/leaver forms for staff and pass to the Headteacher for authorising
 - process supplier payments through the accounting system and upload to Lloyds Commercial
 - raise purchase orders through the accounting system for goods/services over £500 whenever time allows and for ALL goods/services over £1000
 - ensure all purchases under £500 are entered on the accounting system and initialled by the Headteacher
- ensure that receipts are issued from the budget and for payments received of £10.00 or more Prepayments should be entered to reflect the cost of services paid for in full in advance but not yet consumed. . This will be done for all invoices over £1200

Authorization Limits for Purchase Orders (see Appendix A)

- Finance & Operations Manager/Administrator £3,000
- Headteacher £50,000

Signatories

Two signatures are required for all cheque payments and two approvers are required for any BACs payments made through Lloyds Commercial Banking

Current signatories:

- Headteacher
- Assistant Headteachers
- Finance & Operations Manager

- Finance Administrator

Purchase Orders/Cash Manager Exempt Transactions

The governing body has agreed that payments up to the value of £1000 gross may be processed on Xero, without the need for a purchase order/goods receipt, all receipts must be initialed by the Headteacher. A purchase order must be raised for any goods/services over the value of £1000.

The Governing body has agreed that the Finance & operations Manager may make purchases up to a total of £100 a month on the school credit card without gaining prior authorization from the Headteacher. This is to help with time constated needs (mainly from the site manager to ensure premises management can be maintained without delay and Admin team for postage milk etc) A spreadsheet needs to be maintained and reconciled monthly.

Virement (see Appendix B)

These are not regularly used by the Academy however, Virements of £15,000 or more should be approved by resolution of the full governing body.

The following virement limits have been agreed:

- | | |
|----------------------------------|---------|
| • Finance and Premises Committee | £15,000 |
| • Headteacher | £5,000 |

Further information on the process for Virement can be found within Appendix B

Scheme of delegation

The scheme of delegation sets out where responsibilities and where accountabilities sit within our school structure. For example, it will indicate whether a task is the responsibility of the board of trustees, governing body, headteachers or staff.

The scheme of delegation can be located within Appendix C

4. Payroll

Dataplan Payroll currently provide a payroll and human resources service to the academy. Communication and information is uploaded to their secure payroll portal (VERA) by the Finance Administrator, Finance & Operations Manager or Headteacher. Any queries are directed to our nominated payroll advisor or human resources advisor. Dataplan are responsible for making the payments to the Local Government Pension Scheme and the Teacher's Pension Scheme and the PAYE payments to HMRC. Dataplan deal with any queries relating to pensions through WYPF or Teacher's Pension and complete the EYOC form on behalf of the academy.

5. Training

The governing body recognises the importance of financial training for governors and staff in helping them to fulfil their responsibilities in relation to the financial management of the academy.

The training needs of all governors and staff will be reviewed each year. Appropriate budgetary provision will be made, where necessary, and governors and staff will be actively encouraged to undertake that training.

6. Budget Setting

The governing body recognises the importance of setting a detailed budget at the start of the year.

The Finance & Operations Manager will draft a detailed budget for each line of income and expenditure. The budget will be re-evaluated each year (as opposed to, say, incremental budgeting) for the Finance and Premises Committee's consideration.

The Finance & Operations Manager will include options for increased spending, as set out in the Academy's Development Plan, and options for cost cutting measures, where appropriate.

7. Budget Monitoring

The governing body recognises the importance of regular budget monitoring in helping to detect accounting errors and identify, as early as possible, potential under and overspendings.

The Headteacher will monitor the budget on a monthly basis by reviewing printouts from the school's financial system for:

- errors
- miscoding
- large or unusual items
- potential under-spending or overspendings against budget and act promptly, where appropriate

8. Tender Process

Governors and school leaders will develop procedures for assessing need and obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost. Measures already in place are:

- Competitive tendering procedures (e.g. for goods and services over £10,000)
- Three quotes for goods and services over £5,000 with then exception of emergency work in relation to H&S and ensuring the school stays operational. The headteacher will gain sign off from Finance Governor if three tenders can't be obtained in a swift manner
- 'Best value' checks will be undertaken for all quotes between £1000-£5000.
- Procedures for accepting 'best value' quotes which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- Procedures which minimise office time by the purchase of goods and services under £500 direct from known, reliable suppliers (e.g. stationery, small equipment)

When considering tenders IR35 needs to be a consideration. HMRC may impose fines and demand backdated tax payments if the school is not able to provide evidence of IR35 compliance. IR35 legislation

requires the academy to determine the employment status of contractors and ensure they are paying the correct taxes. Non-compliance can result in penalties and legal action from HMRC.

The academy will Consider the use of HMRC's Check Employment Status for Tax (CEST) tool to determine whether a contractor falls within IR35. This tool helps assess the employment status of workers

[Check employment status for tax - GOV.UK](#). We will then log any checks carried out and record any outcomes.

Contractors vetting needs to ensure that basic information is provided such as but not limited to insurances, competence and H&S compliance evidence all being able to be provided prior to the work being undertake.

9. Financial Administration

The governing body recognises the importance of proper financial administration to safeguard against inaccuracies and out of date information being used to make erroneous financial decisions in the academy.

The Headteacher will monitor the financial administration functions carried out by the Finance & Operations Manager/Finance Assistant ensuring that:

- accounting systems are kept up to date
- bank reconciliations, petty cash claims, credit card etc. are completed regularly
- appropriate action is taken where our accountant advises the academy that its day to day administration is not up to date

10. Reporting

The governing body recognises the importance of receiving detailed, accurate and up to date financial information to enable it to oversee and control the financial position of the academy.

The Finance & Operations Manager will prepare budget-monitoring reports for consideration by the Finance and Premises Committee. Monthly accounting papers will be produced and uploaded to a secure file (one drive) and governors will be required to review, ask questions and acknowledge reviewing.

The reports will include for each line of income and expenditure:

- the original budget
- changes to the budget
- current budget
- expenditure and commitments to date
- an explanation for all variances exceeding £1,000 in value
- details of proposed virements
- details of proposals for additional spending or cost-cutting measures

In addition to the reports in the academy's financial system, the ESFA issues spreadsheet and word processing documents to academies on an annual basis to provide a framework for the preparation of finance plans and budget monitoring reports to governors.

11. Financial Planning

The governing body recognises the importance of financial planning beyond the current year.

The Finance & Operations Manager will prepare a financial plan covering the next three years.

The plan will show the projected numbers on roll and the impact this has on the academy's budget share, expenditure and carry forward.

The level of detail shown in the plan will include, as a minimum, the information set out in the Education & Skills Funding Agency financial planning spreadsheet, which is issued to the academy each year.

The plan will include contingency plans, setting out the academy's proposals for dealing with variations including, in particular, changes in the projected number on roll.

The governing body will consider the impact that the medium term finance plan may have upon staffing levels and develop outline plans and strategies for avoiding redundancy costs for future years.

12. Audit

The governing body recognises the importance of the ESFA's audit regime in assessing the adequacy of the academy's financial controls.

The governing body and Headteacher will ensure that auditors are given access to staff, all relevant records and property, as the auditors consider necessary.

An internal audit will be carried out by Lincolnshire County Council each academic year.

The Headteacher will ensure that audit recommendations are implemented as soon as possible. The Finance and Premises Committee will review any recommendations from the Auditor.

The Headteacher will familiarise him/herself with the Financial Procedures and Academies Financial Handbook, which give guidance on best practice, internal controls and statutory requirements.

13. Debt Recovery and Write Off Approvals

Debt recovery and write off approvals are as detailed in the Debt Recovery Policy.

14. Work experience

On occasion the school will support work experience students undertaking financial course, they will be allocated elements of the Finance Administrator / Finance & Operations Manager roles and responsibilities. However ultimate responsibility will remain with the assigned roles and they are required to ensure the work experience understands and is using the systems in the correct manner.

15. Review

The governing body recognises the importance of keeping its Finance Policy up to date and will review the policy on an annual basis.

APPENDIX A

Authorisation Limits

The authorisation limits relate to processing and release of purchase orders and invoices. The Finance Policy should clearly state what authorisation levels have been delegated to individuals to process or release purchase orders or invoices. Purchase orders do not need to be raised for services or goods with a value up to £1000. These invoices can be signed off by the Headteacher. The Finance Administrator will aim to create Purchase orders for anything over £500 as good practice. The default purchase order release limit for the Finance & Operations Manager/Administrator is £3,000. It is possible for this to be increased at the discretion of the Governing Body. For the Headteacher the default limit is £50,000.

The competitive tendering Policy is linked here with the blow being set as authorisation for when competitive tendering is required.

CONTRACT LEVEL	CONTRACT VALUE	DELEGATED AUTHORITY
De minimis	Up to £100	Finance & operations Manager
	Up to £999.99	Headteacher
Best Value Checks completed by Finance Team	£1000 - £5000	Headteacher
Low (3 quotes required)	£5,001 - £9,999	Headteacher
Medium (Complete Tender process as per point 6)	£10,000 - £40,000	Finance Committee
High (Complete Tender process as per point 7)	Over £40,000, but below the PCR procurement threshold	Governors
Over the PCR procurement threshold	Over £214,904	Governors
'Light touch regime'	Over £663,540	Governors with Legal Advice

APPENDIX B

FINANCIAL PROCEDURE – VIREMENT

1. Scope

This Financial policy covers permanent virements – one-off, under and overspends

within financial years should be notified via the Finance Committee / Headteacher to the Governing body as soon as they are identified. Where appropriate temporary virement arrangements can

be approved by the Finance Committee

2. Definitions

Virement – The PERMANENT transfer of part or all a budget from one or more budgets to one or more budgets

3. Principles

Governors are responsible for the prioritisation and deployment of the resources

allocated by the School, to meet the objectives set within the school SDP. Objectives and priorities may change because of a combination of (i) external factors, (ii)

School decisions or (iii) proposals from the Budget Controller themselves. It the Headteachers responsibility to identify any resultant cost implications and either absorb that cost within the existing budget/s, reprioritise between existing budgets and propose virement between budgets, budget groups or a combination of both, consistent with the budget controllers agreed.

Only where this is not possible, should supplements to budgets be sought, normally through the formal budget processes of the School.

As staff FTE data is a key reporting metric, ensuring that the number of staff employed on permanent or fixed term contracts is carefully monitored and controlled at all times, this virement process is consistent with that requirement.

4. Procedure and detail

Level 1:

Virement within the School Budget held by a Finance and Operations Manager - approval by the

Headteacher, notified to the relevant Finance Committee using Committee meetings. If this is not possible via email to the Finance Committee Chair

☐ Level 2: Virement from between Budgets Groups may be possible however if it leads to an increase in staff Establishment headcount, FTE or (in some cases) grade it requires an additional level approval by the Governors

5. Limits and conditions

Virements of £15,000 or more should be approved by resolution of the full governing body.

The following virement limits have been agreed:

- Finance and Premises Committee £15,000
- Headteacher £5,000

☒ Virement between budgets greater than £15,000 cumulatively require ratification as part of the annual budget process. Virements are permanent transfers. To avoid undermining the authority of the Headteacher to manage their budgets responsibly, a permanent record of Virement will be retained and a subsequent request for additional resources for budgets which had previously been subject to Virement will require additional justification and may be declined on that basis.

Appendix C

Scheme of Delegation						
Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Appointment of Headteacher	Governors/Directors	No	To undertake an effective recruitment campaign as required should the post of Headteacher become vacant. Ensure that achievable performance targets are agreed on an annual basis and that those are reviewed in the course of the academic year as well as upon completion.			Ad hoc
Appointment of Accounting Officer (AO)	Governors/Directors	No	This role to be undertaken by the Headteacher who will take steps to ensure: <ul style="list-style-type: none"> • prevention of loss through fraud by ensuring regularity and propriety • ensuring prudent and economical administration • avoidance of waste and extravagance • efficient and effective use of resources 			Annual
Appointment of Internal Auditor	Governors/Directors	No	This role to be undertaken by an external third party who will take steps to provide assurance that: <ul style="list-style-type: none"> • the financial responsibilities of the Governing Body are being properly discharged; • resources are being managed in an efficient, economical and effective manner; • sound systems of internal financial control are being maintained and • financial considerations are fully taken into account in reaching decisions. 			Annual

Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Establishment of Finance Committee	Governors/Directors	No	<p>The principal role of the Committee is to:</p> <ul style="list-style-type: none"> authorise an annual budget and perform routine monitoring against the plan ensure (through external auditors) annual accounts are prepared in accordance with Companies Act 1985 authorise the award of contracts over £5,000 ensure (through Responsible Officer) internal control systems and financial procedures reflect best practice and support economic and effective use of resources 			Annual
Establishment of Finance Committee	Governors/Directors	No	<p>The Finance Committee will also perform the functions of an Finance Committee. Principally this will involve:</p> <ul style="list-style-type: none"> the promotion of the highest standards of propriety in the use of public funds and accountability for their use improving the quality of internal and external financial reporting the promotion of financial discipline and control to help reduce the opportunity for misappropriation of assets and / or financial mismanagement the promotion of internal control systems to ensure that the Academy operates within the statutory requirements governing the use of public funds, within its own delegated authority and in a manner that will ensure the most economic and effective use of resources available. 			Annual
Appointment of External Auditor	Finance Committee	No	<p>The Finance Committee will engage an external third party to prepare the Academy's statutory financial statements as required by the Companies Act and to pronounce on the efficacy of the internal control system.</p> <p>The appointment will be made on an annual basis and will be signalled at the Annual General Meeting of the Members and Trustees.</p> <p>Market testing for external audit services should be undertaken on at least a three-year cycle.</p>			Annual

Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Appointment of School Business Manager/School Bursar/ Finance & Operations Manager	Governors/Directors	Headteacher	<p>To undertake an effective recruitment campaign as required should the post of School Business Manager/ Finance & Operations Manager become vacant</p> <p>Ensure that achievable performance targets are agreed on an annual basis and that those are reviewed in the course of the academic year as well as upon completion.</p>			Ad hoc
Appointment of Teaching & Non-Teaching Staff	Governors/Directors	Headteacher	<p>To undertake an effective recruitment campaign as required should posts within the authorised establishment of the school become vacant.</p> <p>Ensure that achievable performance targets are agreed on an annual basis and that those are reviewed in the course of the academic year as well as upon completion.</p>			Ad hoc
Creation of Gifts & Hospitality Policy	Governors/Directors	Headteacher	<p>A policy to be produced and shared with all staff (ideally through Finance Regulations Manual). Signed by staff to show their understanding of consequences.</p> <p>This is particularly important to demonstrate where the Academy may enter into contract for the provision of goods or services, no enticement has been accepted by a member of Academy staff that may be construed as influencing the offer of the contract.</p>			Annual
Adhering to EFA and statutory financial requirements	Finance Committee	No	The Finance Committee should agree all accounting policies and procedures.	Internal and External Auditors should be consulted to ensure that policies are compliant with best practice and legal requirements.	All accounting policies should be reviewed on an annual basis	Annual

Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Implementing and maintaining a robust system of internal control to minimise risk	Finance Committee	No	The Finance Committee will agree on an annual basis with the Internal Auditor specific aspects of the control system to be tested in addition to the general compliance work undertaken	The Finance Committee will receive a report from the Internal Auditor commenting on the adequacy of the internal control system	The Finance Committee may require the Headteacher or Finance & Operations Manager to undertake remedial action based on the issues highlighted	Biannual
				The Finance Committee will receive the draft statutory accounts for comment prior to their presentation at the AGM of Members.	The Finance Committee will ensure that the External Auditor has all disclosures required to complete the annual report	Annually
Pay Committee/Structure Procedures Provide clear staff Pay Policy to be followed for all employees including delegation limits.	Headteacher	No	Ensure policy covers support staff as well as teaching staff.	Maintain a list of signatories that can sign pay award paperwork. Ensure all pay awards are supported by written, signed notice held in personnel files	Check personnel files for any awards provided	Each time a staff contractual change is agreed
Payroll Processing	Headteacher	Finance & Operations Manager Finance administrator, Assistant headteachers, headteacher and payroll provider	Ensure compliance with Financial Regulations Manual.	NG to validate and authorise payroll control report detailing variances identified and investigations undertaken. Admin assistant putting claims on spreadsheet. Finance administrator inputs into Dataplan.	Check month end procedures for signed listings and investigations undertaken into errors.	Monthly

				AHT checks payroll HT approves		

Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Staff Expenses Teachers are allowed to purchase resources with prior approval from the Headteacher for which a normal procurement method would be impractical.	Headteacher	Finance & operational Manager Finance administrator (from finance side) and Headteacher (from teaching and learning side)	All items purchased must be planned and approved prior to purchasing. Complete a petty cash claim form showing teacher name, allocation, items bought, net amount spent, VAT element and gross amount reimbursed.	Included in P&L Report to be presented to the Headteacher and Governors on a monthly basis.	Check monthly production of reports and its timely upkeep.	Monthly

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Public Income Tracking Monitoring document to show all income sources (values expected to be recorded until actual receipt) and timeline in which income will be received.	Headteacher	Finance & Operations Manager <i>Accountant</i>	To be produced annually (or upon notification of funding) and to be updated and reconciled at points of receipt (e.g. monthly for GAG)	Variances to be explored and reported to Headteacher monthly. Notes of discussions to be retained in month end procedure	Check month end file for details of discussions held and investigations undertaken.	Internal review monthly and reviewed by Internal Auditor annually
BACS Income Entry Income to be entered onto financial accounting system as soon as it is notified to the academy.	Headteacher	Finance Administrator And admin assistant <i>Admin assistant and finance administrator and Headteacher</i>	BACS income entered with appropriate coding on the date it is notified.	BACS income recorded electronically <i>Admin assistant checking BACS against invoices</i> <i>HT to check income</i>	Check BACS Income file. Check input date on financial ledger against date of remittance.	Internal review monthly and reviewed by Internal Auditor annually
Collection / Receipt & Storage of Cash & Cheques Finance & Operations Manager /Finance Administrator to count all cash/cheque income weekly. Income to be checked against cash book paperwork/bank sheet to be completed for all income. Cash income to be kept in a locked safe with keys held separately.	Finance & Operations Manager	Finance Administrator	Ensure amounts recorded are in Cashbook. Ensure receipts for £10 and over are issued Cash/Cheque to be stored in a plastic wallet in the safe. Keys to be kept with authorised staff only.	Weekly reconciliation of cash recorded in the cashbook. Evidence of checking procedures by staff. <i>Keys with HT and admin assistant</i>	Check weekly input and recording. Ensure no unidentified items are in evidence. Reconciliation of receipt book weekly to cashbook weekly total. Ensure cash/cheques are in the safe, in the plastic wallet.	Internal review monthly and reviewed by Internal Auditor biannually

Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Bank Reconciliation To be undertaken on a monthly basis	Headteacher	Finance & Operations Manager Day to day – finance administrator Monthly accountant	Bank reconciliation report to be run in financial ledger and checks made on non-reconciled items as well as b/f & c/f balances.	AO to check report and sign to confirm ledger cashbook balances with Bank Statement. Explanation of any non-reconciled amounts must be provided by Finance & Operations Manager at submission to AO for agreement.	Check input dates on financial ledger to ensure all income entered in advance and any adjustments are minimal. Report by exception.	Internal review monthly and reviewed by INTERNAL AUDITOR annually.
Investments To deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its day-to-day operations	Headteacher/Finance & Premises Committee	Finance & Operations Manager	Any amendments to I&E to be included in report to AO with reasons for entry at input time. Any identified surplus cash to be invested in line with Academy Investment Policy.	Finance & Operations Manager to notify Headteacher/Finance Committee in advance of: Value of investment maturing and rates of return for new investment.	Review all documents relating to investment	Biannually
Approved List of Suppliers	Headteacher	Finance Administrator	All supplier details to be reviewed (particularly address and bank details) Known related party relationships between a member of the Academy and any supplier should be documented.	Agreed payment terms for each supplier should be documented	Evidence of formal review and any changes made countersigned by Finance Administrator/Headteacher	Biannually

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Approved List of Suppliers	Headteacher	Finance Administrator	All supplier details to be reviewed (particularly address and bank details) Known related party relationships between a member of the Academy and any supplier should be documented.	Agreed payment terms for each supplier should be documented	Evidence of formal review and any changes made countersigned by Finance Administrator/Headteacher	Biannually
Routine Purchasing Order up to £100 For all orders up to £500 For all orders up to £1,000 - £5000 All orders to be placed using a purchase order form with detail of commitment availability being included for approval by Budget Holder For all orders £5,000 to £10,000	Headteacher	Finance & Operations Manager (FOM) Up to £500 finance administrator and Headteacher Over £500 HT and accountant	Up to £100 a month FOM can self-authorise. If purchased on Credit card and essential time frame required. All purchases up to £500 do not need an official order, paperwork must be signed by HT & FOM. All purchase orders to be processed through the financial ledger system. Best value checks need to be undertaken Finance & Operations Manager to obtain at 3 quotes for orders over £1000, all documents to be held for audit purposes.	Monthly spreadsheet to be signed off by headteacher All requisitions must hold accurate pricing information. A member of SLT must sign and date the requisition. Decision should be lowest quotation unless specific circumstances (which should be documented)	All orders are annotated with the budget availability for the ledger code to be used. Requisition date and date of entry to ledger to be verified. Examine all documents held for evidence of value for money Examine all documents held for evidence of value for money.	Quarterly

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Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Receipt of Goods & Services	Finance Administrator	Admin / Finance Manager or Site Manager Or trainee admin	Site Manager to validate that all goods & services received are in line with both the purchase order and invoice received. Discrepancies to be notified to Finance & Operations Manager	Ensure all GRNs are actioned by the Finance Administrator in the ledger and any price variances are investigated.	GRN noted on paperwork along with date of entry. Check pricing changes and note correction rate.	Quarterly
Invoice Input Invoices to be entered onto the ledger within 10 working days during term time.	Headteacher	Finance Administrator	Finance Administrator to enter invoices through ledger.	Check prices at this stage to ensure purchase orders were costed accurately and GRN undertaken fully	Check dates invoices are entered to ensure 30-day payment terms are achievable.	Quarterly
Creditor Payments As far as is practical, creditors should be paid in line with agreed credit terms	Headteacher	Finance Administrator	Finance Administrator to provide Headteacher with suggested payment run and to collate invoices ready for physical checking. Check should include: * Invoice should relate to purchase order, goods were received and	Approved for payment written evidence on invoice paid only. Finance Administrator should upload the BACS file onto Lloyds Commercial Banking. SLT sign batch and BACS details before releasing the payment.	BACS file approved by 2 of the following: Finance & Operation Manager /Assistant Head or Headteacher ensuring batch amounts match agree. If required the Finance & Operation Manager can be the second approver on Lloyds Commercial, this should be countersigned by a member of SLT	Quarterly

			proposed payment matches invoice.			
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Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Storage of Charge Card (CC) Controlled access to charge card	Headteacher	Finance & Operations Manager HT and finance administrator	Ensure CC is kept in the safe and is not handed to anybody other than designated staff (Headteacher & School Office)	Ensure CC procedure is in place and forms are pre-approved for any issue.	Check policy and location of charge card	Quarterly
Use of Charge Card (CC) Charge card to be used for all online purchases, approval to be sought from Headteacher prior to any purchase.	Headteacher	Finance & Operations Manager HT and finance administrator	HT to approve order, signing the order form if over £500 or paperwork if under £500 to demonstrate budget checked. Finance & Operations Manager to place order, providing accuracy of pricing is obtained.	Ensure all items are delivered and invoices to academy premises (NO EXCEPTIONS). As orders are placed, items to be entered to financial ledger and fully coded.	Check audit log in financial ledger to ensure date transaction recorded.	Quarterly
For all orders over £10,000 To include capital building projects	Headteacher	Finance & Operations Manager HT	All projects likely to exceed £10k in value should be formally discussed and agreed by the Finance Committee.	Finance & Operations Manager will be responsible for creating and presenting a full service specification for examination by the Committee	All orders over £10,000 must be subject to full tender procedures.	Ad hoc
Management of the Tender Process	Headteacher	Finance & Operations Manager HT	The tender process may vary according to the nature of the project: <ul style="list-style-type: none"> • open • restricted • negotiated Invitations to Tender (ITT) should be issued by the Finance & Operation Manager (or project lead) to all interested / invited parties.	A waiver of tender procedures may only be sought if there is genuinely only one supplier able to satisfy the requirement. The waiver should be agreed and signed by the Chair of Governors.		Full records of all tender documentation issued and received must be retained for full audit scrutiny

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Tender Opening Procedures	Headteacher	Finance & Operations Manager HT	All tenders submitted should be opened at the same time and the tender details should be recorded to show who has tendered and the amount of their tender. This document should be signed by all present.	The ITT should include: <ul style="list-style-type: none"> • scope and objectives of the project • technical requirements • project timescale • response date required • any specific terms & conditions of tender • evaluation & award process 	For all contracts above £25,000 a governor should also be present upon opening of tenders.	

				At least two people should always be present upon the opening of all tenders.		
Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Tender Evaluation	Headteacher	Finance & Operations Manager HT	At least two people should always be involved in the evaluation of tenders. (including a director/trustee if contract > £25,000)	Full regard to the Register of Interests should be given to ensure that conflicts of interest are avoided. Any potential conflict identified should result in that person withdrawing from the evaluation process.	The GB should not award contracts > £50,000 without consultation with the Finance Committee and full ratification. Contracts < £50,000 may be awarded without recourse to the GB but only on consultation with the Chair of Finance Committee	The accepted tender should be the lowest cost for the highest economic benefit.
Cash Flow Systems	Headteacher	Finance & Operations Manager supported by Accountants accountant	Annual cash flow forecast to be prepared once budget plan authorised. Cash flow must be monitored and a monthly cash flow forecast prepared based on annual plan.	Summary cash flow statement to be prepared for consideration at Finance Committee Meetings.	Check month end procedures for spreadsheet and variances being investigated.	Quarterly

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Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Production of Management Accounts To be produced on an accruals accounting basis	Headteacher	Finance & Operations Manager supported by Accountants accountant	MAs should be produced and presented monthly to the AO and as required by the Governors. Accruals should be entered by the Finance & Operations Manager to reflect the cost of services consumed but not yet paid for. Prepayments should be entered by the Finance Administrator to reflect the cost of services paid for in full in advance but not yet consumed. Income deferrals should be entered by the Finance Administrator to reflect that income has been received in advance for services to be provided in the future. This will be done for all invoices over £1200 total.	All variances must be explained in detail to inform understanding of potential deviations from annual plan. A slippage report showing forecast variance from annual plan should be produced monthly from Month 6 onwards. A detailed ledger report showing performance in month and cumulatively to be uploaded to the Governor secure area of the website. Summary management accounts statement to be prepared for consideration at Finance Committee Meetings.	Review all GB Meeting minutes and supporting reports to ensure compliance. Review month end procedures for copies of MAs showing variance analysis, slippage and evidence of AO discussion	Quarterly
Cash Flow Systems	Headteacher	Finance & Operations	Annual cash flow forecast to be prepared once budget plan authorised.	Summary cash flow statement to be prepared for	Check month end procedures for	Quarterly

Commented [JD1]: This is new to the policy this year as the due to a high burden on admiration yet very little impact on the overall accounts. This means that should a monthly prepayment amount of over £120 then it will be spread over the corresponding term /months the invoice covers.

Up to this point we have done all invoices some with as little as £1 per month.

		Manager supported by Accountants	Cash flow must be monitored and a monthly cash flow forecast prepared based on annual plan.	consideration at Finance Committee Meetings.	spreadsheet and variances being investigated.	
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Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Asset Register	Headteacher	Finance & Operations Manager supported by Accountants HT and accountants	All items purchased with a value over the Academy's capitalisation limit must be entered in an asset register.	The asset register should include key information about the asset.	The asset register should be maintained by the Finance & Operations Manager as part of the month-end process and as and when the capital assets are purchased	Quarterly
Arranging security of physical assets such as buildings, furniture, equipment, stock, stores and cash.	Headteacher	Finance & Operations Manager HT and accountant	The Headteacher is responsible for ensuring that all assets are secured by means of appropriate physical security devices. This should include encryption devices for all ICT hardware & software.	Capital assets should be clearly marked as academy property	A physical count of capital assets must be undertaken by two members of staff not engaged in maintaining the asset register on at least an annual basis.	Annual
Asset Write-Off	Headteacher	Finance & Operations Manager accountant	Finance & Operations Manager should review the asset register for all assets who's Useful Economic Lives are due to expire by the end of the financial year.	Assets no longer to be used should be written-off if no material re-sale value can be achieved.	Any material losses or damage to assets should be reported to the Finance Committee.	Annual
Asset Disposal (>£500)	Headteacher	Finance & Operations Manager	Assets disposed of with a carrying amount (Cost less Accumulated Depreciation) above £500 must be approved by the Finance Committee .	A Disposal of Equipment Form should be completed and authorised by Headteacher and Chair of Resources Committee.	The write-off must be authorised by the Headteacher and reported to the Governing Body. The asset should not be physically removed until the GB has ratified the write-off decision.	

		accountant				
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Role	Responsibility	Delegated Authority	Action	Action	Evidence	Review Period
Asset Disposal (for which a Capital Grant of >£20,000 was paid)	Secretary of State		The approval of the Secretary of State is required before the sale, or disposal by other means, or reinvestment of proceeds from the disposal, of an asset (or specific group of assets) for which a Capital Grant in excess of £20,000 was originally paid.	The Academy should reinvest the proceeds from all asset sales, for which a capital grant was originally paid, in other Academy assets.	<p>Sale of goods to staff should be discouraged as it may compromise the need to ensure value for money.</p> <p>If the sale proceeds are not reinvested then the Academy must repay to the DfE the same proportion of the sale proceeds as the Secretary of State contributed to the original cost of the asset.</p>	
Loan of Assets	Headteacher		<p>Items of Academy property must not be removed from Academy premises without the authority of the Headteacher.</p> <p>A record of the loan must be recorded in a loan book and booked back in at the Academy when it is returned.</p>	Extended loan periods to a single staff member should be avoided as they could give rise to a 'benefit-in-kind'	Headteacher should consult with Internal Audit in the event that an extended loan period is envisaged.	