



# Trust Finance Handbook 2025/26

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Responsible Officer	Asha Morjaria

Key changes from previous handbook are listed on page 4

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## 1. Foreword

The Academy Trust Handbook 2025 has been released by the ESFA (Education and Skills Funding Agency) and takes effect from 1<sup>st</sup> September 2025.

This handbook is a key document that sets out the financial framework for academy trusts reflecting their status as companies, charities and public bodies. It balances requirements for effective financial governance and management of funds, with the freedoms needed over their day-to-day business.

Compliance with the handbook is a requirement in trusts' funding agreements with the Secretary of State and we recommend that you take the time to review the updates.

The key changes listed in the handbook for 2025 are as follows:

- Confirming that trusts should have an understanding of and be working towards meeting the six-core digital and technology standards by 2030 (1.16).
- Providing trusts with further guidance on estates management (1.20).
- Updating the accounting officer duties and the definitions of regularity, propriety, value for money and feasibility, to better reflect Managing Public Money (1.32 and 'find out more' box).
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- Providing trusts with further guidance and support on procurement (2.24 to 2.26).
- Clarifying the role of the board in setting of executive pay (2.27 and 2.30).
- Clarifying that the income thresholds referred to in 3.6 and 3.16 are based on the trust's last audited accounts.
- Explaining how cost could cause a transaction to be repercussive (5.5).
- Providing a link to the relevant section on Novel, Contentious or Repercussive transactions in Managing Public Money ('find out more' box below 5.5).
- Confirming that trusts must not pay any cyber ransomware demands (6.15).
- Providing trusts with a link to further information on DfE oversight and support, including intervention (6.16).
- Removing educational performance as an area where an Notice to Improve (Nti) may be issued (6.17).
- Confirming that the department may recover funds where there is evidence of irregularity or fraud (6.21).

## 2. Core Diocesan Principles

There are core principles that underpin all schools within the Northampton Diocese.

The key areas of the distinctive nature of Catholic education are recorded in Principles, Practices and Concerns (Bishops' Conference 1996) and can be considered as underlying principles:

- The search for excellence as an integral part of the spiritual quest.
- The uniqueness of the individual made in God's image and loved by him.
- The education of the whole person based on the belief that the human and divine are inseparable.
- The education of all with the duty to care for the poor and disadvantaged.

- Moral principles put into practice within a Christian community.

The following principles recorded in 'The Common Good in Education' (Bishops' Conference 1996) also apply:

- Subsidiarity – which means decisions being taken as close to the grass roots as good government allows.
- Solidarity – which means we are all responsible for each other, with a willingness to see others as self.

The Church also promotes the principle of Community Cohesion.

- Thus, Catholic schools must continue to look outwards and work in partnership with all other schools in the wider community, to the benefit of all children in society.

### 3. Introduction

The purpose of this manual is to ensure OLICAT maintains and develops systems of financial control which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE) and the requirement of the Memorandum of Understanding with the Diocese of Northampton.

The duties and obligations of the Trust are set out in the Academy Trust Handbook 2025.

This handbook, together with the funding agreement describes the financial relationship between the DFE and the Trust. The handbook covers all the requirements under the financial accountability system and the Trust.

The Memorandum of Understanding (MoU) sets out the understandings and conditions that apply to the development and functioning of the Multi Academy Trust, OLICAT established by the Bishop for the Diocesan schools. The MoU makes clear that the MAT Trust Board has full responsibility for managing the financial affairs of the MAT including all the constituent schools no guarantees or assurances in respect of the financial affairs of the MAT will be provided by the Bishop or the Diocesan Trustee.

The Trust must comply with the principles of financial control outlined in the academies guidance published by the Department for Education (DFE) primarily the Academy Trust Handbook (ATH). This policy expands on that and provides detailed information on the Trust's accounting procedures and systems.

This policy should be read in conjunction with the following and with individual academy operational procedure notes. Academy operational procedure notes are an important supplement to this policy and will be agreed by the Finance Director/Accounting Officer and each Headteacher and will be distributed to all relevant central and academy staff.

- Financial Scheme of Delegation
- Fraud Policy
- Charging & Remissions Policy
- Lettings Policy
- Code of Conduct - Governance/Directors
- Code of Conduct – Employees
- Code of Conduct – Local Academy Committee

- Investment & Reserves Policy
- Risk Management Policy
- Expenses Policy
- Business Continuity Plan
- Whistleblowing Policy
- Gift & Hospitality Policy
- Debt Collection Policy (Academy)

#### 4. Aims

- A clear scheme of financial delegation exists to ensure governors and staff with financial responsibility are clear on their roles.
- Clear procedures are in place for budget planning, setting and monitoring.
- Effective monthly accounts are in place.
- A programme of risk review and control is in place to minimise financial risk.
- All procurement arrangements achieve value for money.
- There are sound procedures in place for administering payroll and personnel matters.
- All income is identified, and all collections receipted, recorded and banked promptly.
- The Trust and its schools are adequately insured against exposure to risk.
- Security and inventory of physical assets is well managed.

#### 5. Not For Profit

No individual or organisation can make a profit owing to their relationship with a given school or schools. Fair and open procurement processes must always be followed and any individual or organisation with a significant relationship with their schools must deliver all services at no more than cost.

#### 6. Responsibilities

The Trust has delegated decisions and actions to committees and individuals with regard to financial management and control, as set out in the Trust Financial Scheme of Delegation (appendix A). It is important that governors and senior staff are familiar with this document and comply with delegation arrangements in place.

The Trust will manage their affairs in accordance with the high standards detailed in 'Guidance on Codes of Practice for Board Members of Public Bodies' and in line with the seven principles of public life:

Selflessness - Holders of public office should take decisions solely in terms of the public interest.

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

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

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

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

Honesty - Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.  
Leadership - Holders of public office should promote and support these principles by leadership and example.

## 7. Organisation and Responsibilities

### Role of Members

The Members of the Trust oversee the Board of Directors (the “Trust Board”), holding the Directors to account and ensuring that the values and ethos of the Trust are upheld and the distinctiveness of the Academies is preserved. Their functions include;

- Appointing Trustees
- Removing Members and Trustees, under certain circumstances
- Receiving the annual accounts
- Overseeing the achievement of the objectives of the Trust
- Amending the Articles of Association, subject to restrictions
- Appoint the Trust Auditors

### Role of Trust Board

The Trust Board has overall responsibility for the administration of the Trust’s finances. The Trust Board is responsible for managing the financial affairs to ensure regularity, propriety and value for money, and for ensuring that the Trust’s funds are used in accordance with charity law, company law and the funding agreement. The Directors are held to account by the Members and the Secretary of State, although the Trust Board delegates certain powers to the Accounting Officer.

### Role of Finance within the Board

Finance operates in accordance with its Terms of Reference under the Scheme of Delegation. The functions of the Finance include:

- Oversight of major financial issues concerning the Trust and its Academies, the overall Trust budget and those of the individual Academies, the management of funds against the budget, the benchmarking of financial performance, expenditure levels, budget headings and the way funds are utilised (including value for money) and the way monies are secured.
- To monitor the production, timeliness and accuracy of key financial statements in response to both statutory and local requirements.
- To support (recommending and advising) the Trust Board in developing and then implementing a reserves policy and to consider the impact of strain in individual Academy budgets.
- To support (recommending and advising) the Trust Board in developing and then implementing the Financial Regulations Manual and associated procurement policy (separate policy).
- To review tenders for major contracts as specified in the Financial Handbook. To approve or reject tender proposals or, where required, make recommendations to the Trust Board. • To recommend any changes in the Financial Manual, where significant, to the Trust Board. To review the operations of the Trust and the Academies in relation to the procedures shown in the Finance Manual.
- To review key financial and accounting systems and reviewing any audits of these or the general finances of the Trust and make recommendations to the Trust Board and/or the Local Governing Committees as appropriate.

#### Role of Audit Committee

The Directors' Audit meetings will be held twice a year, but additional meetings will be held if required. The responsibilities of this committee are set out in the Terms of Reference in the OLICAT Scheme of Delegation for Governance Functions. The Accounting Officer and Trust Finance Director will attend this meeting.

#### Role of Accounting Officer/Senior Executive Lead (SEL)

The Accounting Officer is required to ensure regularity, propriety and value for money.

The Accounting Officer has responsibilities, under the board of Directors guidance, for the overall organisation, management and staffing of the Trust and for its procedures in financial and other matters, including conduct and discipline.

The Accounting Officer is personally responsible to Parliament and to the Accounting Officer of the DFE for the resources under his/her control. The essence of the Accounting Officer role is a personal responsibility for the propriety and regularity of the public finance for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge. Essentially the Accounting Officer must be able to assure Parliament and the public of high standards of probity in the management of public funds.

The Accounting Officer must advise the Board of Directors in writing if, at any time, in his or her opinion, any action or policy under consideration by the Trust Board is incompatible with the terms of the Academy Trust Handbook or DFE guidelines.

The Accounting Officer must take personal responsibility (which must not be delegated) for assuring the board that there is compliance with the funding agreement and handbook.

Similarly, the Accounting Officer must advise the board in writing if the board appears to be failing to act where required to do so by the terms and conditions of the Academy Trust Handbook or ESFA guidelines.

Where the Board of Directors is minded to proceed, despite the advice of the Accounting Officer, the Accounting Officer must consider the reasons the board gives for its decision. If, after considering the reasons given by the Board, the Accounting Officer still considers the reasons proposed by the board are in breach of the Academy Trust Handbook or DFE guidance, the Accounting Officer must advise in writing to the DFE's Accounting Officer of the position. More detailed guidance on the role of an Accounting Officer is set out in Chapter 3 of the HM Treasury's *'Managing Public Money'*. The HM Treasury's handbook, *'Regularity, Propriety and Value for Money'* describes what these concepts mean in a financial context.

The DFE will send a letter annually to all Academy Trust Accounting Officers, with updates for new Accounting Officers, setting out their key responsibilities and highlighting any changes from the previous years.

The Trust Accounting Officer, under the guidance of the board, must ensure that there is appropriate oversight of financial transactions. In doing so, they must:

- Ensure that bank accounts, financial systems and financial records are operated by more than one person.
- Ensure that all the Trust's property is under the control of the Trustees and that measures are in place to prevent losses or misuse.
- Keep full and accurate accounting records.
- Prepare accounts, giving a true and fair view to the Trust's incoming resources and application of resources during the year, and the state of affairs at the year-end, in accordance with existing accounting standards.
- The Accounting Officer is personally responsible to the board, and through it to the Secretary of State and Parliament, for:
  - ensuring regularity and propriety
  - ensuring prudent and economical administration
  - avoiding waste and extravagance
  - securing value for money through the efficient, effective and economic use of available resources and
  - the day-to-day organisation, of staffing and management of the Academy Trust

Further guidance on these responsibilities is set out in HM Treasury's "Managing Public Money"

The Accounting Officer is accountable for the Trust's financial affairs for keeping proper financial records, and for the management of opportunities and risks. The delivery of the Trust's detailed accounting processes will be delegated to the Trust's Finance Director.

The Accounting Officer of the ESFA is required to provide assurance that the bodies that the ESFA funds on behalf of the Secretary of State are in sound financial health. For this reason, the MAT must submit to the ESFA a copy of the final budget and 2-year projections in a form specified by the ESFA by a date to be notified.

The Trust's Accounting Officer is required to complete and sign a short statement each year to explain how the Trust has secured value for money. This should be completed as an annex to their annual Accounting Officer's statement. Both the Accounting Officer's statement and its annex on value for money will form part of the annual report accompanying the Trust's accounts and so must be sent to the ESFA and published on the MAT's website.

#### Role of Trust Finance Director (FD)

The FD plays both a management and leadership role in the Trust.

The main responsibilities of the Trust Finance Director are:

- Day to day management of financial issues including the establishment and operation of a centralised finance function for the Trust.
- Management of the Trust financial position at a strategic and operational level within the framework for financial control determined by the members and directors.
- Advising the Trust Board of the strategic financial implications of proposed actions, before decisions are taken.
- Recommending to the Trust Board strategic financial plans, as circumstances change or develop.

- Preparation of budget plans in conjunction with the SEL, Headteachers, School Improvement Director, and Finance Managers.
- The maintenance of effective systems of internal control.
- Liaising with auditors to ensure that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust.
- Supporting the Finance Managers in the preparation of monthly financial reports, including income and expenditure statements.
- Ensuring forms and returns are sent to the DFE in line with the annual timetable.
- Additional roles, some of which are not directly finance related, as outlined in the job description.

The FD does not discharge all their responsibilities personally and is supported by a Central Finance team.

Where FD is referred to throughout this policy this function may be delegated, at the discretion of the FD, to the central Finance team.

#### Role of Central Finance team

The main responsibilities of the FD are completed through the MAT Central finance team. Led by the FD and supported by 2 Finance Managers, 3 Finance Officers. The MAT central finance team role includes:

- Preparation of monthly management accounts
- Bank reconciliations
- Sales control account
- Purchases control account
- Monthly review of control accounts
- VAT accounting and returns
- Preparation of annual financial statements
- Maintenance of the finance system and budgeting systems
- Preparation of annual budgets and 3-year budget forecasts
- Treasury Management

#### Role of Headteacher

The Headteacher at each Academy School has the following financial responsibilities:

- Ensuring expenditure is controlled within approved budgets.
- Ensuring staffing structures are both affordable and within the authorised established Scheme of Delegation.
- Managing and controlling the application of policies and procedures within each Academy under their direct responsibility.
- Ensuring the FD is provided with any financial information requested in a timely manner and is also notified immediately of any situation likely to significantly impact on the financial position of the academy.
- Authorising contracts, order requisitions up to the amount delegated in these procedures on workspace.
- In conjunction with the Central Finance Team ensuring that all transactions are correctly authorised and approved and that a full audit trail exists that complies with these regulations.

- Ensuring timely returns to the Central Finance Team are accurate and within deadlines.

#### Role of Local Academy Committee (LAC)

The responsibilities of the LAC are set out in the Terms of Reference in the OLICAT Scheme of Delegation for Governance Functions document; this document is reviewed annually.

The main responsibilities of the LAC are set out in the Funding Agreement between the school and the DFE.

The Governors are collectively required to keep and update a register of pecuniary interests annually. Each governor and attendees must declare any interests at the beginning of any LAC meeting.

#### Specific Role of Local Academy Committee (LAC)

The Trust's Scheme of Delegation will provide each Local Academy Committee with their delegated authorities and authorisations to undertake the following:

- The LAC will agree, in consultation with the Headteacher, a budget for recommendation to the Trust Board which is based on best value principles that support the school's objectives and development plan.
- The LAC has responsibility for reviewing the school's budget to ensure it is properly managed by the Headteacher and continues to support achieving the school's objectives in line with direction from the Trust Board.
- The LAC will regularly review financial information provided to them to make sure spending does not exceed projections.
- The LAC will review annual pay awards based on recommendations of the Headteacher following the appraisal process and make recommendations to the Trust Board.

#### Role of School Administrative Staff

Designated administrative staff at each Academy will work in close collaboration with the Central Finance Team (CFT).

Their main responsibilities may include some or all of the following

- Cash Collection and banking in a timely manner and reporting back to the CFT.
- Raising purchase order requisitions for approval by budget holders or Headteachers on Sage Intacct.
- Providing all financial information required by the CFT to complete a monthly bank account reconciliation and production of the monthly management accounts.
- The maintenance of inventory records in line with limits set out in these financial procedures.
- The maintenance of supplier contractual information.
- Notification to CFT and HR Team of any staffing changes/leavers/starters and amendments, as soon as these become known to enable finance to update the budget.
- Ensuring the school credit card is used only for school breakfast and after school club purchases (primary) and food technology supplies (secondary).

#### Role of Budget Holders

Departmental budget holders will have some financial responsibilities and these are detailed in this document. A list of approved budget holders and their areas of responsibility is maintained by the Finance Team.

#### All staff

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

#### Role of Internal Assurance

##### Validation and Assurance

The Trust has determined that validation and assurance of the finance function and all systems and procedures that have a financial effect on the finance function will be undertaken by suitably qualified and experienced external providers.

Both internal and external audits will be conducted. In line with best practice and as required by our regulators, separate auditors will be appointed for each element of audit.

#### The External Audit

The external audit is largely a regulated activity and will concentrate primarily on validating the MAT's statutory and regulatory financial and statistical returns. They will also advise on the systems and processes that capture, record and consolidate the data to produce various returns and reports.

The external auditors will be appointed, or reappointed by the board of directors each year, following scrutiny of their performance in consultation with the FD and the Central Finance Team.

The appointment of external auditors will be for a fixed period of 3 years, following a defined process of competitive tendering, with renewal each year until the end of the fixed period, unless circumstances demand a new competitive tender.

Selection of external auditors will be based on, inter alia:

- qualifications, experience, reputation of the audit leaders and the audit team;
- empathy with the Catholic ethos, values and beliefs of the MAT;
- synergy with and understanding of the nature, structure and internal relationships of the entire, wider Central Finance Team.

Mindful of external deadlines, audit timetables and procedures will be negotiated by the FD and a detailed contract will be agreed with the auditors.

DFE requires immediate notification of the removal or resignation of the external auditors.

#### The Internal Audit

The internal audit is a board designated, essential component of Risk Management, Quality Assurance and Continuous Improvement.

The internal auditors will be appointed in line with the same process as the external auditors, but with different renewal dates, to minimise any potential disruption.

Under the guidance of the Audit Committee the internal auditor will, inter alia:

- undertake a defined and specified programme of checks to test and verify both financial and non-financial procedures and process controls;
- identify and assist with prioritising risk mitigation and process improvements;
- identify potential changes that will have a beneficial effect on the external audit timetable or processes.

Mindful of external and internal deadlines, priorities, timetables and procedures will be negotiated by the FD. A detailed contract will be agreed with the internal auditor.

It is envisaged that to maximise the benefits of the internal audit, some additional services may be required. Where this is the case, subject to scrutiny by the Audit Committee and the FD, standard procurement procedures will apply.

## 8. Register of Interests

It is important for anyone involved in spending public money to demonstrate that they or their family, or close associates do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise, all directors, committee members, governors and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from which the Trust and its schools may purchase goods or services. This form must be completed annually (Appendix C). The register is open to public inspection.

The register should include all business interests such as directorship, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust and its schools. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a director or a member of staff by that person.

Any person who is present at a meeting of a school or the Board of Directors must formally declare any interest they may have against any item that appears on the agenda. This relates to any contract, proposed contract or other matter that is being considered. The person must disclose the fact as soon as is practical at the meeting and take no part in the consideration or discussion of the contract or matter concerned. In addition, the person cannot vote on any question with respect to the contract or matter being discussed.

In any instances of doubt, the prudent approach would be to make a declaration.

## 9. Financial Planning

The Trust and schools prepare both medium-term and short-term financial plans.

The short-term financial plan monitors anticipated inflows and outflows of cash and contracted expenditure on a rolling 4-week basis.

The medium-term financial plan is prepared as part of the development planning process. The improvement plan indicates how the Trust/school's educational and other objectives are going to be achieved within the expected level of resources.

The improvement plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Trust and the planned use of those resources for the following year.

The development planning process and the budgetary process are described in more detail below.

#### Improvement Plan

The improvement plan is concerned with the future aims and objectives of the Trust/school and how they are to be achieved; that includes matching the Trust/school's objectives and targets to the resources expected to be available.

Each year the Trust School Improvement Director/Headteacher will ensure that the Board of Directors/governors receive information on:

- A review of past activities, aims and objectives – “did we get it right”
- Definition or redefinition of aims and objectives – “are the aims still relevant”
- Development of the plan and associated budget – “how do we go forward”
- Implementation, monitoring and review of the plan – “who needs to do what by when to make the plan work and keep it on course” and
- Feedback into the next planning cycle – “what worked successfully and how can we improve?”
  - What do we want to do more of? ○ What do we need to do less of?
  - What do we want to stop doing?

#### Trust Annual Budget and 3 Year Plan

The FD is responsible for preparing the annual budget for the Trust, the consolidated budget is prepared by compiling individual school budgets in collaboration with headteachers and the School Improvement Director.

Each school budget is approved by the LAC committee, prior to recommendation for Board approval.

The Accounting Officer reviews the schools' annual budgets with the FD before they are submitted to the Board.

The budget for the Trust must be approved by the Accounting Officer and the Board of Directors. The approved budget must be submitted to the DfE.

- 3-year budget forecast return by end of August.

The FD is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met (Appendix D).

The annual budget will reflect the best estimate of the resources available to the Trust and schools for the forthcoming year and will detail how those resources are to be utilised. There should be a clear link between the improvement plan objectives and the budgeted utilisation of resources.

The budgetary planning process will incorporate the following elements:

- Forecast of the likely numbers of pupils to estimate the amount of DfE grant receivable.
- Review of other income sources available to the schools to assess likely level of receipts.
- Review of past performance against budgets to promote an understanding of the Trust and schools' cost base.
- Identification of potential efficiency savings.
- Consideration of staffing structure and financial implications to changes in staffing.

- Review of the main expenditure headings considering the improvement plan objectives and the expected variation in costs e.g. pay increases, inflation and other anticipated changes.
- Review of Pupil Premium, Sports Grant, Universal Infant School Meals, Devolved Formula Capital and other income projections.

#### Balancing the budget

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

In accordance with the DfE funding agreement, the Trust/schools are not permitted to set a deficit budget.

#### 10. Management Accounts

The Central Finance Team will prepare management accounts every month, setting out the Trust and individual schools financial performance and position.

The budget monitoring process should be effective and timely to highlight variances in the budget so that both anticipated and actual differences can be investigated and action taken where appropriate. The Finance Managers will present monthly management accounts to the Headteacher who will submit to their LACs.

The FD will present consolidated monthly management accounts to the Accounting Officer and the Trust Board.

If expenditure is anticipated or found to be deviating greatly from budget, measures will be put in place with the purpose of ensuring that the school remains within its given budget by the end of the full academic year.

This could involve a complete halt on all non-essential spending and all expenditure to be preapproved by a senior member of the Trust finance team.

The Trust will complete the school resources management self-assessment tool this must be submitted with the checklist to the DfE by the specified annual deadline.

The FD will undertake a benchmarking exercise on an annual basis to compare the Trust and schools' financial information against DfE benchmarking information. A report will be submitted to the Directors' Board meeting to share any best practice suggestions gained from the benchmarking exercise.

#### 11. Internal Controls

The Trust will manage the programme of risk review and checking of controls in the way most appropriate to its circumstances:

- an internal audit service completed by the external provider
- a supplementary programme of work by the external auditor

The Trust has established a control framework that recognises public expectations about governance, standards and openness. The Trust's internal control framework includes:

- Co-ordinating the planning and budgeting process;
- Applying discipline in financial management, including managing banking, debt and cash flow, with appropriate segregation of duties;
- Preparation of monthly management reports;
- Ensuring that delegated financial authorities are respected;
- Effective planning and oversight of any capital projects;
- The management and oversight of assets;
- The propriety and regularity of financial transactions;
- Processes to reduce the risk of fraud and theft;
- Ensuring efficiency and value for money in the organisation's activities
- Anticipating impending and longer-term non-conformances.

## 12. Annual Accounts

The Trust will maintain adequate accounting records and prepare an annual report and accounts in line with the Charity Commission's Statement of Recommended Practice (SORP) and the DFE Accounts Direction. The accounts are audited in line with requirements.

The accounting period of the Trust ends on 31 August as set out in its funding agreement.

The audited accounts must be:

- Submitted to the DFE by 31 December each year.
- Academies Accounts Return to the DFE by 19<sup>th</sup> January.
- Published on the Trust's website by 31 January.
- Filed with Companies House in accordance with company law requirement by 31 May, or such other time as may be required.
- Provided to anyone who requests a copy, this copy will be sent by email.

The FD has responsibility for ensuring accounting records are prepared in a timely manner for external audit.

## 13. Accounting Systems

All the financial transactions of the Trust and schools must be recorded into the Trust's computerised financial information accounting system Sage Intacct (cloud based).

Entry into the Financial Management System is password restricted and through a single sign on mechanism.

### Transaction Processing

All transactions input to the accounting systems must be authorised in accordance with procedures specified in this manual. The detailed procedures for the operation of the bank account, the purchase ledger and the sales ledger are included in the manual.

### Transaction Reports

The Central Finance Team will obtain, and review system reports to ensure that only regular transactions are posted to the accounting systems. The reports obtained and reviewed will include:

- Purchase ledger, and sales ledger reports
- Trial balance reports
- Income and Expenditure reports
- Journal entries

#### Reconciliation

Responsibility for ensuring the following reconciliations are performed each month will ultimately rest with the Finance Director, who will designate as appropriate;

- Control accounts
- Bank accounts
- VAT account
- Suspense account

#### 14. Payroll & HR Transactions (note this is a HR responsibility – finance to carry out variance checks to staff details on IMP and process on finance system per external reports)

The purpose of the payroll system is to accurately and efficiently process the following:

- Staff appointments, leavers & contractual variations
- Payroll administration
- Variable payments, including overtime, timesheets and expenses
- Pensions

#### Staff appointments & Variations

The Trust and its schools adopt and implement the Trust Pay Policies and procedures contained within them.

At the beginning of each academic year each school's individual budget would have been approved by their LAC and Board of Directors.

Any increase to a school's salary budget can only be made with the approval of the senior management team using an authorisation to recruit form (HR1). The Headteacher will, after completing the appropriate HR processes, present their proposal to the Local Academy Committee which then recommends the proposed increases for final checking and approval by the FD and HR Directors.

Approval from the SEL/Trust Board is required for:

- Reserved posts or;
- A post that increases the school staff budget by either being ○ an additional post; ○ a new post that is not a direct replacement; ○ a new post arising from a restructure.

All appointments and/or variations to pay must be completed in accordance with Trust HR procedures. A copy of the form and all accompanying documentation must be retained both by the school and Trust HR in the employees personnel file for internal audit procedures and employment legislation requirements.

### Staff overtime

In accordance with the Trust's Support Staff Pay Policy all overtime and timesheets are recorded by the employee directly onto the 'Neopeople' Portal for authorisation by their headteacher/line manager for processing by payroll.

Overtime must not be recorded prior to work having been undertaken and time off in Lieu (TOIL) must have been considered and agreed by the line manager as not viable.

No payment for work undertaken will be processed other than via the payroll portal.

All overtime is paid a month in arrears please refer to the appropriate Pay Policies.

### Staff Leavers

Letters of resignation from staff at a designated school should be addressed to the headteacher of that school. Central Trust staff should address a letter of resignation to the Strategic Executive Lead.

A leaver's form should be completed in accordance with the HR procedures. A copy of the leavers form and letter of resignation will be kept in the employee's personnel file both in school and by Trust HR. An exit interview/questionnaire should be offered to any member of staff who is leaving.

### Payroll Administration

The Trust's payroll processing is administered externally by Neopeople payroll (HR processes to be updated with new details) – effective 1<sup>st</sup> September 2025.

Trust HR manage the process of school's retaining personnel files in accordance with GDPR guidance.

All staff are paid monthly through the external HR & Payroll software Neopeople. A file is created for each employee which records

- Pay scale
- Job title & hours
- Bank account details
- Taxation Status
- Personal details
- Any deductions or allowances payable
- Pension status – e.g. opted out

HR will issue an annual calendar providing the key dates to meet payroll deadlines. These dates must be met by each school.

### Payments

Salaries are paid on the 27<sup>th</sup> of each month, should this date fall on a weekend or bank holiday, the payment will be made on the last working day prior to this date.

### Special Payments

Certain transactions by public bodies may fall outside their usual planned range of activity, and may exceed statutory and contractual obligations. HM Treasury refers to these as special payments. They include:

- Staff severance payments.
- Compensation payments.
- Ex gratia payments.

Advice must be sought from the Trust HR if special payments are being considered, before formal negotiations are commenced.

#### Annual Pay Statements for Teachers

All teachers are entitled to an annual payment statement that is normally issued by 31<sup>st</sup> October for teachers and 31<sup>st</sup> December for Headteachers, which will include:

- Details of salary (based on the agreed job description).
- Details of any financial benefits to which the member of staff is entitled.
- Any safeguarding arrangements if they apply.

HR are responsible for the issue of these statements.

#### Security and Retention of Documents

The Trust HR Director will have overall responsibility to ensure that all payroll records are kept securely in line with the Record Management /Retention Guidelines adopted by the Trust.

#### Executive Pay

The Board of Directors must ensure its decision about levels of executive pay follow a robust evidence-based process and are reflective of the individual's role and responsibilities. No individual can be involved in deciding his or her remuneration.

The Board of Directors must discharge its responsibilities effectively, ensuring its approach to pay is transparent, proportionate and justifiable, including:

- Process – that the procedure for determining executive pay is agreed by the board in advance and documented.
- Independence – decisions about executive pay reflect independent and objective scrutiny by the board and that conflicts of interest are avoided.
- Decision-making – factors in determining pay are clear, including whether performance consideration, and the degree of challenge in the role, have been considered.
- Proportionality – pay is defensible relative to the public sector market.
- Documentation – the rationale behind the decision-making process, including whether the level of pay reflects value for money, is recorded and retained.
- A basic presumption that non-teaching pay should not increase at a faster rate than that of teachers, in individual years and over the longer term.
- Understanding that inappropriate pay can be challenged by ESFA, particularly in any instance of poor financial management of the Trust.

#### Tax Arrangements for Senior Employees

The Trust ensures that their senior employees' payroll arrangements fully meet their tax obligations and must comply with HM Treasury's guidance on this matter regarding the employment and contract arrangements of the individual on the avoidance of tax, as set out in the Treasury's Review of the Tax Arrangements of Public Sector Appointees. Failure to comply with these requirements may result in a fine by HM Treasury, equivalent to five times the amount paid to the employee.

#### Publication of executive pay

The Trust must publish on its website in a separate readily accessible form the number of employees whose benefits exceeded £100k, in £10k bandings, as extract from the disclosures in its financial statements from the previous years ended 31 August. Benefits for this purpose include salary, other taxable benefits and termination payments, but not the trust's own pension costs.

## 15. Purchasing

The Trust wants to achieve the best value for money from all purchases. This means the Trust wants to get what it needs in the correct quality, quantity and time at the best price possible. A large proportion of The Trust's purchases will be paid for with public funds, and the Trust needs to maintain the integrity of these funds by following the general principles of:

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

Employees are reminded that we are custodians of public funds, therefore we have a duty to ensure that the Trust spends public money for the purpose they are intended for. GAG funding should not be used to purchase any of the following:

- Gifts for any staff for any reason
- Staff general refreshments – i.e. tea and coffee
- Alcohol is strictly forbidden under the Academy Trust handbook

The Trust/school must ensure that:

- Spending has been for the purpose intended and there is probity in the use of public money.
- Spending decisions represent value for money.
- Internal delegation levels exist and are applied within the Trust.
- A competitive tendering policy is in place and applied, and the Find a Tender (FTS) procurement services are applied where applicable.
- Relevant professional advice is obtained where appropriate.

The DFE strongly recommends, 'Deals for Schools' that make buying simpler and quicker and can provide better value for money in a range of categories.

The Trust/school is required to follow the Trust's Tendering Policy.

### Routine Purchasing

Where applicable, budget holders will be informed of the budget available to them at the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. Data detailing actual expenditure and committed expenditure (orders placed but not paid for) against budget can be accessed from the finance system (Sage Intacct).

In the first instance, a supplier should be chosen from the list of approved suppliers. Three quotes should be obtained before a requisition is placed (for all purchases over £2,000 (Primary Schools), and £5,000 for Secondary Schools), except in the case of an emergency maintenance call where the duration and final costs are unknown at the time of call out. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list, i.e. a better price is found on the internet, this must be discussed with the Finance Manager. All requisitions/orders must be raised by schools on the Sage Intacct system. Requisitions must be approved in line with the Trust's Scheme and Structure of Financial Delegation. All quotes must be attached to the requisition/order.

The School Admin Officer must make appropriate arrangements for the delivery of goods to the school. On receipt, a thorough check of the goods received must be made against the goods' delivery note where available. Any discrepancies between the goods delivered and the delivery should be raised immediately with the supplier. If any goods are rejected or returned to the supplier because they are not ordered or are sub-standard quality, the supplier must be notified immediately.

All invoices should be sent to the Central Finance Team on [finance@olicatschools.org](mailto:finance@olicatschools.org). The Central Finance Team will complete the following checks on inputting to Sage for Education:-

Invoice arithmetically correct;

- Goods/services received as ordered;
- Prices correct, including any discount;
- VAT processed correctly.

The invoice will then be processed accordingly:

- Invoice received following financial authorisation for Purchase Order, within Sage for Education, will be processed for payment.
- Invoices received with no order number quoted or order raised on Sage Intacct will be queried with the school and the above process will need to be followed.

All invoices will be attached on the Sage Intacct system.

The Central Finance Team will then input details of payment to be made to the purchase ledger and generate the BACS payment required, checking that sufficient funds are available before releasing payment. The BACS payment will be authorised in line with the Scheme and Structure of Financial delegation

### Ordering

All orders for goods and services are subject to the following rules concerning quotes and tenders below:

#### Orders of £2,000 and below

For orders under £2,000, any supplier should be sourced from a list of suppliers held by the school. This list should be kept under regular review and demonstrate value for money. It is good practice to obtain comparative prices to achieve best value.

#### Orders over £2,000 (Primary), £5,000 (Secondary)

At least three written quotations against a specified scope of works/goods to secure consistent quotations should be obtained for all orders above this value to identify the best source of the goods/services. Written details of quotations obtained should be attached to the

requisition/purchase order. Telephone quotes are acceptable if these are evidenced by email confirmation of quotes received before a purchase decision is made.

Orders over £10,000 - £20,000 (authorisation required by FD in the first instance)

At least three written quotations against a specified scope of works/goods to secure consistent quotation should be obtained for all orders between £10,000 and £20,000 to identify the best source of the goods/services. Written details of quotations obtained should be attached to the requisition/purchase order. Telephone quotes are acceptable if these are evidenced and email confirmation of the quotes has been received before a purchase decision is made. Orders over £10,000 will be formally submitted to the Finance Director and subsequently to the LAC for approval and needs to be signed off by the accounting officer.

Orders over £20,000 - £100,000

At least three written tenders against a specified scope of works/goods to secure consistent quotation should be obtained for all orders between £20,000 and £100,000 to identify the best source of the goods/services. Written details of quotations obtained should be attached to the requisition/purchase order. Orders over £20,000 will be submitted to the Finance Director, once authorised by the Finance Director, LAC approval should be obtained and final authorisation by the SEL.

Orders over £100,000

All goods/services ordered with a value over £100,000 or for a series of contracts, which in total exceeds £100,000, must be subject to formal tendering procedures. Purchases of supplies or services over £139,688 (current limit, Trust £100,000) will require us to use the Find a Tender Service (FTS), or procurement via the CCS/other Government Frameworks or the schools buying club.

*Note – it is the responsibility of the Trust office to check the prevailing levels of spend thresholds. It is also critical to note that the total contract value is the figure that needs to be assessed – for example, a multi-year service contract which will equate to a spend of over £100,000 is still required to follow the procurement process detailed above.*

Contracts in excess of £100,000, will require Board approval.

Frameworks

For any value of procurement, it is possible to use an existing framework to identify and secure a competitive deal with a reliable supplier. Frameworks are a set of umbrella agreements that have been drawn up by another public sector body, such as Dioceses – church marketing place, Local Authority and their public sector buying consortia, or by Central Government Departments such as DfE and Crown Commercial Service.

These agreements are with a 'panel' of suppliers of similar goods or services. Suppliers on a framework are approved to provide certain services, with an assurance of competitive rates guaranteed, and with the basic legal and other checks (financial stability, track record etc) having already been carried out by the 'owner' body. These allow the placing of orders for goods, works or services. A 'mini-competition' amongst the relevant suppliers on a framework is usual but this is typically a quicker and simpler process than setting up a new contract from scratch. For example, within the DfE the project Management and Education Service Framework provides a select pool of suppliers with good experience in supporting the initial and ongoing work involved in Academy and

Free School projects. By running a mini-competition within this framework, The Trust can secure the right professional services for their specific needs at guaranteed good rates, quickly and efficiently.

In the event of a critical issue arising where the continuity of business is threatened by following the full procedure above, the Finance Director has the authority to permit the individual school to place an order through an existing framework or directly with an established supplier who has previously provided these services to the Trust. This contract will be for no more than the minimum available period and will subsequently follow the full procedure at the next renewal date.

#### Form of Tenders

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are as follows:

##### Open Tender:

This is where all potential suppliers are invited to tender. The budget holder must discuss and agree with the Trust Operation Manager how best to advertise for suppliers (e.g. general press, trade journals or direct contact). This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

##### Restricted Tender:

This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- There is a need to maintain a balance between the contract value and administrative costs.
- a large number of suppliers would come forward or because of the nature of the goods are such that only specific suppliers can be expected to supply the Trust's requirements.
- The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- An existing tried, tested and proven supplier with specific and relevant experience with the Trust is available.

##### Negotiated Tender:

The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- The above methods have resulted in either no or unacceptable tenders.
- Only one or very few suppliers are available.
- Extreme urgency exists.
- Additional deliveries by the existing supplier are justified.

##### Preparation for Tender

Full consideration should be given to the:

- Objective of project.
- Overall requirements.
- Precise technical specifications, or a request for these to be included.
- Technical skills required.
- After sales service requirements.
- Form of contract.

It is useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

#### Invitation to Tender

If a restricted tender is to be used, then an invitation to tender must be issued. If any open tender is used, an invitation to tender may be issued in response to an initial enquiry. An invitation to tender should include the following:

- Introduction/background to the project.
- Scope and objectives of the project.
- Technical requirements.
- Implementation of the project.
- Terms and condition of tender.
- Form of response.
- Deadline for response.

#### Aspects to consider

##### Financial

- Like should be compared with like and, if a lower price means a reduced service or lower quality, this must be borne in mind when reaching a decision. (Best value).
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- If there scope for negotiation? This must be considered.

##### Technical/Suitability

- Qualification of the contractor and any subcontractor.
- Relevant experience of the contractor and any subcontractor.
- Description of technical and service facilities.
- Certificates of quality/conformity with standards.
- Quality control procedures.
- Details of previous sales and references from past customers.

##### Other considerations

- Pre-sales demonstrations;
- After sales service.
- DBS clearance.
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after-sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.
- If in practice there is a sole provider of the goods or services, appropriate consideration will be given to ensuring that value for money is being obtained (which may include benchmarking similar services or providers elsewhere in the country) and evidence retained for audit purposes.

#### Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt

and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

#### Tender opening procedures

All tenders submitted should be opened at the same time and the tender details should be recorded.

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by those people present at the tender opening.

A member of the Trust Board should be involved in the opening and evaluation of all tenders.

#### Tendering Evaluation Procedures

The evaluation process will involve at least two people. Those involved shall disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision shall not accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records will be kept of all criteria used for evaluation and, for contracts over £20,000, a report should be prepared for the Trust Finance Meeting highlighting the relevant issues and recommending a decision. For contracts under £20,000, the decision and criteria should be reported to the Local Academy Committee.

Where required, the conditions attached to a specific DfE grant, the Department's approval must be obtained before the acceptance of a tender.

The accepted tender should be the one that is economically most advantageous to the Trust. All parties shall then be informed of the decision.

In the event that a tender other than the lowest is accepted, those involved in making the decision shall document and report the reasons for not accepting the lowest bid to the Board of Directors.

#### Retention of Records

All relevant documents relating to the tender process (including minutes of meetings held and a written record of the reasons for the decisions made) shall be retained by the Trust for audit purposes.

#### Supplier Statements

The Trust is required to keep their creditors' supplier statements. These should be reconciled back to Sage Intacct, and marked accordingly:

- Paid and date paid.
- Invoice received.
- Invoice missing; copy requested.

#### Transaction with related parties

This deals with goods and services provided by or to individuals or organisations relating to the Trust.

The Trust must be even-handed in their relationships with related parties by ensuring that: •

Directors comply with their statutory duties as company directors to avoid conflicts of interest, not to accept benefits from third parties, and to declare interest in proposed transactions or arrangements.

- No member, trustee, local governor, employee or related individual or organisation uses their connection to the Trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust.
- There are no payments to any governors by the Academy unless permitted by the articles, or by authority from the Charity Commission, and comply with any relevant agreement with the Secretary of State. The Academy will consider these obligations where payments are made to other business entities who employ the governor, are owned by the governor, or in which the governor holds a controlling interest.
- The Charity Commission's approval is obtained where the Academy believes a significant advantage exists in paying a governor for acting as a governor.
- Any payment provided to the persons referred to above satisfies the 'at cost' requirement in this handbook.
- The Trust should be aware of the Charity Commission's guidance for trustees.

The Trust must recognise that some relationships with related parties may attract greater public scrutiny such as:

- Transactions with an individual in a position of control and influence, including the Chair of Directors and the Accounting Officer.
- Payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors.
- Relationship with external auditors beyond their duty to deliver a statutory audit.

The Trust must keep sufficient records, and make sufficient disclosures in the annual accounts, to show that transactions with these parties, and all other related parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector.

#### Reporting of related party transactions to DFE

The Trust must report all contract and other agreements with related parties to the DFE in advance of the contract or agreement commencing.

#### Approval of related party transactions by DFE

The Trust must obtain DFE prior approval, using DFE's online form, for contracts and other agreements for the supply of goods or services to the trust by a related party agreed on or after 1<sup>st</sup> September 2023 where any of the following limits arise:

- A contract or other agreement exceeding £40k
- A contract or other agreement of any value that would mean the cumulative value of contract and other agreements with the related party exceeds, or continues to exceed, £40,000 in the same financial year ending 31 August.

#### Declaration of Self-employed Person

Payments for good /services from individuals will only be made once the supplier has completed a Declaration of Self-employed Status, declaring that they are registered with HMRC as being

selfemployed and that they agree to inform the HMRC of all payments received from the Trust (see Appendix E).

## 16. Business Procurement Card

The purpose of this document is to provide clear guidance to employees on the issue and usage of the Company Credit Cards. All individuals must have due regard to the best interest of Our Lady Immaculate Catholic Academies Trust (OLICAT Schools).

### Card Issue

The Corporate Credit Card may only be issued by the Central Finance Team, where their functions and duties would be enhanced using a Corporate Credit Card. Each Corporate Card will be issued to a specific person, who will remain personally accountable for the use of the card. Cardholders will sign a declaration. In all cases a receipt must be obtained and retained.

### Card Usage

Credit card usage is only permitted for the purchase of breakfast/after school purchases in Primary Schools and food technology supplies in Secondary Schools. All other purchases must be made following the purchasing processes detailed above. Finance Manager approval will be required for any other one-off purchases.

The credit cards shall be issued by Lloyds, OLICAT bankers.

- Each card shall be stored in a safe/locked drawer when not in use.
- In the event of lost or stolen cards the loss shall be reported by the cardholder to the issuing bank, the police (if stolen) and the Finance Director immediately.
- Should fraud or misuse be suspected, the bank should be informed immediately so that the appropriate action can be taken.
- The Credit card account shall have a spending limit as stated on the cardholder consent form £1,000 (Primary), £2,000 (Secondary).
- The balance on the credit card will be paid from the central account in full every month.
- The credit card transaction should be entered onto the procurement log monthly (appendix F) and reconciled back to the monthly statement. Once this has been completed the procurement log needs to be returned to the relevant finance team. This ensures the completeness of the accounting records and readiness to be reconciled when the bank statements reach the central finance team.
- All procurement logs and receipts shall be authorised by either the Head Teacher, Finance Director or a designated person.
- The cards shall not be used for personal expenditure under any circumstances.
- Cash withdrawals are not permitted.
- All authorised cardholders shall sign to accept they have personal responsibility for transactions on “their” card which are not conducted with the approval of OLICAT and/or Central Finance Team in accordance with this policy.
- The cardholder shall also authorise the Central Finance Team to recover the cost of any unauthorised transactions and where reimbursement is not received then the Central Finance Team is authorised to make a salary deduction for the unauthorised amount.
- Cardholders shall be made aware of the action to take in the event of a card being stolen, lost or missing.

- Members of staff found to be breaching the terms and conditions for use of their card will have the card confiscated and disciplinary action may also be taken.
- Personal loyalty cards must not be used in conjunction with the Procurement Charge Card issued by the Trust.

Separation of duties is fulfilled by the following.

- When the card leaves the school premises this must be logged in a book – stating the following information: date, time and person's name.
- The Central Finance Team records all expenditure on the Trust finance system..
- The Headteacher authorises receipt of every transaction submitted by the card holder.
- The Central Finance Team will review receipt of transactions raised by the cardholders.
- The Central Finance Team reconcile Direct Debits on bank account statements against the credit card statement monthly.

In the Central Team, two Finance Managers have credit cards assigned to them for Trust usage. Trust card usage must be approved by the Finance Director.

#### 17. Capital Works

Capital works must have the approval of the Trust and the Diocese before any work is undertaken. The FD will monitor income and expenditure in relation to School Condition Allocation funding and report on this to the Board and complete the yearly returns to the DFE (Head of Operations will work with the FD to complete the annual return).

#### 18. Income

The main sources of income for schools are grants from the DfE and Local Authority. The receipt of these sums is dependent on schools' census returns which are the responsibility of the schools. Income due from the Local Authority for EHCP/SEND funding is the schools' responsibility and should be checked to spreadsheets received from the LA, EHCP/SEND applications to receive the funding are the schools' responsibility. Schools are responsible for ensuring that all income due to the school is collected in good time for the below;

The school also obtains income from:

- Pupils, mainly for trips.
- The public, mainly for lettings.
- Other schools and organisations.
- Insurance reimbursement.

Please refer to the Trust Charging and Letting Policy for guidance on charging.

#### Trips (See Trip Policy)

A lead teacher must be appointed for each trip to take responsibility for the organisation of the trip. The sum to be charged for the trip must be discussed and authorised by the Headteacher. The letter and permission slips will then be prepared by the school office and a record created of all the pupils going on the trip. Parents must make all payments using the cashless payment system. The Schools Admin Office should maintain an up-to-date record for each student showing the amount paid and the amount outstanding. This record should be sent to the lead teacher on a regular basis so they can chase up additional permission slips and payments.

Secondary schools organising trips abroad must be approved by the board before the trip goes ahead and in accordance with the trip policy.

#### Free School Meals

Free school meals can only be provided when confirmation of entitlement from the Local Authority has been received.

#### Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the Trust and its schools are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured.

An equivalent amount is included as an expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Trust's policies.

#### Lettings

The Schools Admin Office are responsible for maintaining records of bookings of all facilities and for identifying the sums due from each organisation.

Details of organisations using the facilities will be held by the Schools Admin Office who will inform the Central Finance Team who to invoice so that they can produce a sales invoice from the Financial Management System (appendix G Payment in advance is recommended).

Organisations using the facilities should be instructed to make payments by BACs (Trust bank details on invoice) and remittances sent to [finance@olicatschools.org](mailto:finance@olicatschools.org).

The Schools Admin Office are responsible for ensuring that organisations using school facilities have adequate insurance and have completed the necessary occupancy agreements where relevant.

The Schools Admin Office must retain a calendar of bookings taken (dates and times), any staff responsible for unlocking/locking the facilities must be marked on the calendar, duration of hours worked must be marked on the calendar for additional payroll payments and for audit purposes.

#### Debts

Debts may only be written off as per the Scheme of Financial delegation. Additionally, the DfE's prior approval is also required if debts to be written off are above the values set out in the latest Academies Trust Handbook – which are currently 1% of annual income or £45,000 whichever is the smaller per single transaction.

#### Custody (preferred method as stated above)

Receipts should be issued for all cash and cheques received where no other formal documentation exists. All cash and cheques must be kept in the safe prior to banking. Banking should take place at least promptly where income has been received.

The school should have arrangements in place for monies to be collected securely from the school for banking and avoid individuals carrying money to the bank.

## Sales Ledger

Monies collected must be banked in their entirety in the appropriate bank account in a timely manner. The Central Finance Team are responsible for listing all local income which has been banked on the finance system. The sales ledger will be reconciled against the bank account each month and certified by the FD.

## 19. VAT

The FD together with the Finance Managers monitors the regulations on VAT, ensuring compliance across schools.

The Trust is currently not VAT registered, and thus claims are made on Form 126. VAT 126 is prepared monthly by the Finance Director/Finance Manager. VAT can only be claimed back in full if it relates to education activities. For VAT incurred on business activities, the school must complete a partial exemption calculation to arrive at the reclaimable business VAT amount.

A report is run from the finance system at the end of the month by the Central Finance Team. The VAT control account must be reconciled against the VAT Report. Once the VAT report has been checked and signed by the FD it will be submitted online to HMRC for reimbursement.

## 20. Cash Management

The Trust must manage their cash position robustly. They must avoid becoming overdrawn. The Trust may be required to report its cash position to the DFE where there are concerns about financial management.

The opening of all accounts must be authorised by the Board of Directors. The Trust has one current account and an instant savings account with Lloyds bank. The Trust has savings in an investment platform – Insignis (used widely across the education sector), the Board approves all investments (risk managed), per the Investment policy and two members of the Board have access at all times to view the platform.

### Appointment of Bankers

The Directors are responsible for the appointment of the Trust's bankers on the recommendation of the SEL and FD. The appointment shall be for a three-year period after which consideration shall be given by the Finance Committee to competitively tendering the service.

Bank Mandates are currently authorised by two of the following:

- SEL
- Finance Director
- Finance Manager

### Deposits

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

- The amount of the deposit;
- A reference, such as the number of the receipt or the name of the debtor; The entry will be recorded on Sage for Education weekly.

### Payments and withdrawals

All cheques and other instruments authorising withdrawal (including cheques/BACS payments) from the Trust bank account must bear the signatures of two of the authorised signatories. The required signatories, or approvers, can be seen in the Scheme and Structure of Financial Delegation

This provision applies to all accounts, public or private, operated by or on behalf of the Board of Directors of the Trust. Authorised signatories must not sign a cheque relating to goods or services which they have also ordered.

- No payments will be made in advance of invoices being received.
- There will be three authorised signatories.

The Trust Account must be operated in accordance with the procedures and controls laid down in the Trust's Scheme of Delegation. In particular:

Payment by cheque (currently no payments made by cheque – only for emergency)

- All cheques must be signed by two of the account's authorised signatories for cheques.
- Cheques must not be pre-signed.
- Cancelled cheques must be crossed through on the front and stapled to the back of the chequebook with a written explanation.
- All cheque payments must be supported by appropriately authorised documentation.
- Cheque stationery must be stored securely.

Payment by BACS/Internet Banking: (current method of payments)

- When setting up a new supplier or changing bank account details on the finance system for BACS/Internet payments, the Central Finance Team must contact the supplier and request evidence of their bank account
- All BACS run reports must be viewed by two of the account's authorised signatories.
- All BACS runs must be supported by appropriately authorised documentation.
- There must be a clear separation of duties between the person maintaining supplier and invoice information on the finance system (who can also load the BACS file) and the staff who authorise and release the payment on BACS file. The first-tier authorisation to verify or reverse the payment on BACS file must be a different person from the second tier authorisation to release the payment.
- There must be control over users' access rights. Users must be set up with appropriate access rights.
- Online banking cards used to authorise and release the payments on BACS must be kept secure and under no circumstance will the card and PIN be given out to another member of staff.

Bank accounts must be regularly monitored and reconciled monthly to ensure that they do not become overdrawn.

Administration

The Central Finance Team must ensure bank statements are regularly received and that reconciliations are performed monthly. Reconciliation procedures must ensure that;

- All bank accounts are reconciled to Sage Intacct.

- Reconciliations are subject to an independent monthly review carried out by FD and adjustments arising are dealt with promptly.

#### Cash Flow Forecasts

The FD will prepare and present monthly 12 months cash flow forecasts to Accounting Officer/Board of Directors identify expected cash balances throughout the year.

### 21. Fixed Assets

#### Fixed Asset Register

The fixed asset register and inventory records are separate documents. Fixed Asset Register is maintained by the Central Finance Team for purchases over £5,000. Inventory records are kept by the school office.

All items purchased with a value over the school's capitalisation limit of £5,000 must be entered on the fixed asset register.

The asset register and inventory helps:

- To ensure that staff take responsibility for the safe custody of assets.
- To enable independent checks on the safe custody of assets, as a deterrent against theft or misuse.
- To manage the effective utilisation of assets and to plan for their replacement.
- External auditors to draw conclusions on the annual accounts and the Trust financial systems.
- To support insurance claims in the event of fire, theft, vandalism or other disasters.
- To ensure correct and proper disposal.

Member of staff	Inventory
Headteacher	Authorising write-offs under £500
Deputy Headteacher	Signing (absence cover)
School Admin Office	Administration and annual report
Trust Finance Committee	Authorising write-offs over £500

#### Depreciation

Depreciation is charged against a fixed asset over its expected useful life. It is calculated on an annual basis.

The Trust uses the method of straight-line depreciation where the asset value is reduced at a fixed rate annually.

The period of depreciation varies according to the category of the asset.

Tangible fixed assets must be depreciated as follows:

Land & Buildings	-	not included on Trust accounts
Leasehold Improvements	-	10%
Furniture and Equipment	-	20%
Fixtures and Fittings	-	20%
Plant and equipment	-	20%
Computer Equipment	-	33.3%

#### Security of assets

The headteacher is responsible for ensuring that a policy for security arrangements is in place at the school. The local governing body should periodically review this policy. A register of key holders should be maintained.

All the items in the fixed asset register should be permanently and visibly marked as the school's property, and there should be an annual count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the governing body. Inventories of school property should be kept up to date and reviewed regularly. Where items are used by the school, but do not belong to it, this should be noted.

#### Loan of Assets

Loan of Trust/school assets should be discouraged at all times.

Items of school property must not be removed from the school premises without the authority of the Headteacher. A record of the loan must be recorded in a loan book by the School Admin Office and booked back into school when it is returned.

If assets are on loan for extended periods or to a single member of staff on a regular basis, the situation may give rise to a "benefit-in-kind" for taxation purposes. Loans should, therefore, be kept under review and any potential benefits discussed with the Trust's auditors.

#### Disposals

The Trust must seek and obtain prior written approval from the DFE for the following transactions:

- Acquiring a freehold of land & buildings.
- Disposing of a freehold of land & buildings.
- Disposing of heritage assets beyond any limits set out in the Trust's funding agreement in respect of the disposal of assets generally.

Approval for disposal of all other assets above the value of £500 should be referred to the Trust.

Items that are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher in consultation with the Accounting Officer and FD (authorised by the Trust) and, where significant, should be sold following competitive tender.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the school obtained value for money in any sale of scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the school would need to ensure licences for software programmes have been legally transferred to a new owner.

The school is expected to reinvest the proceeds from all asset sales. If the sale proceeds are not reinvested, then the school must repay the DFE a proportion of the sale proceeds.

## 22. Investments (ref Investment Policy)

The Trust aims to spend the public monies with which it is entrusted for the direct educational benefit of pupils as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

## 23. Reserves

The Trust has set the reserves level for school for the financial year 2025/256 at not less than one month's payroll costs. The level of reserves will be reviewed and set on an annual basis as part of the budget-setting plan.

Regardless of the regulatory requirements, establishing reserves that protect the operation of the Trust and contribute to its smooth running is good practice and forms part of its overall financial control and governance framework.

The Charity Commission guidance states that:

'Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowments funds, although holding such funds may influence a charity's reserves policy. Reserves will also normally exclude tangible fixed assets held for the charity's use and amounts designated for essential future spending. Deciding the level of reserves that a charity needs to hold is an important part of financial management and forward financial planning. Reserves levels that are higher than necessary may tie up money unnecessarily. Holding excessive reserves can unnecessarily limit the amount spent on charitable activities, reducing the potential benefits a charity can provide. However, if reserves are too low then the charity's solvency and its future activities can be put at risk'

The Charity Commission reminds Directors that:

- Charity law requires any income received by a charity to be spent within a reasonable period of receipt. Directors should be able to justify the holding of income as reserves.
- Reserves are that part of a charity's unrestricted income funds that is freely available to spend.
- The reserves policy must be set out in the trustees' annual report
- It should be stated in the trustees' annual report if the directors have not set a reserves policy • Reserves should consider the charity's financial circumstances and other relevant factors
- It is good practice to monitor the level of reserves held throughout the year.

The Trust Directors will identify:

- When reserves are drawn on, so that they understand the reasons for this and can consider what corrective action, if any, needs to be taken.

- When reserves levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any that needs to be taken.
- Where the reserves level is below target, and consider whether this is due to short-term circumstance or longer term reasons that might trigger a broader review of finances and reserves.

When considering an appropriate level of reserves, the Directors need to consider:

- The risk of unforeseen emergency or other unexpected need for funds.
- Covering unforeseen day-to-day operational costs, for example employing temporary staff to cover a long-term sick absence.
- A fall in a source of income, such as lettings.
- Planned commitments, or designations, that cannot be met by future income alone. For example, payroll costs and plans for a major capital project.
- The need to fund potential deficits in a cash budget, for example money may need to be spent before a funding grant is received.

Reporting:

In year reports to directors;

- Compare the amount reserves held with the target amount or target range set for reserves.
- Explain any shortfall or excess in reserves against target set.
- Explain any action being taken or planned to bring reserves into line with target.

Annual financial statements:

The reserves note disclosed in the trustees' reports will include the following information:

- Why reserves are held.
- What amount/range of reserves is considered appropriate for the Trust.
- What the level of reserves is at the year-end.
- How the Trust is going to achieve the desired level or range of reserves.
- How often the reserves policy is reviewed.
- Target range of reserves for the financial year.

## 24. Leases

All leases must gain prior approval at Trust level.

There are two types of lease as defined under relevant reporting standards.

- Finance leases – these are a form of borrowing
- Operating leases – these are not borrowing

Prior to taking up a finance lease on any asset for any duration from another party, which is subject to borrowing restrictions the Trust must obtain DFEs prior approval for borrowing.

If there is any doubt as to whether a particular lease does or does not involve an element of borrowing, the issue should be resolved by contacting the external auditor, via the Central Finance Team and Head of Operations.

Leases should be disclosed in the Trust's annual accounts in accordance with the Academies Account Direction.

If the school does wish to enter into a lease that requires the Secretary of State's consent, then the Trust will need to contact the DFE. This must first be authorised by the Board of Directors. The Trust must ensure that any lease arrangements maintain the principles of regularity, propriety and Value of Money, whether or not the approval of Secretary of State is required.

## 25. Novel, Contentious and Repercussive Transactions

Novel, contentious and repercussive transactions must always be referred to the Trust and DFE for explicit prior authorisations.

- Novel transactions are those of which the school has no experience or are outside its range of normal business.
- Contentious transactions are those that might cause criticism of the Trust or school by Parliament, the public or the media.
- Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.

## 26. Related Party Transactions

The directors must ensure requirements for managing related party transactions are applied across the Trust. The Chair of Directors and the Accounting Officer must ensure their capacity to control and influence does not conflict with these requirements.

The Trust must recognise that some relationships with related parties may attract greater public scrutiny.

## 27. Storage of Records

The school will retain all documents in accordance with the Trust's retention policy. Financial records need to be kept for seven years.

## 28. Gifts

Gifts of alcohol are not permitted to be purchased by the Trust, for any reason whatsoever.

Employees of the trust should take guidance from the following general rules relating to receipt of gifts and hospitality as an employee of the Trust.

To accept gifts should be the exception. Small "thank you" gifts of token value, such as a diary, a coffee mug or box of chocolates, not over £25 in value may be accepted. The FD should be notified of any gift over this value.

Gifts should be refused if it is believed the giver has an ulterior motive such as the receipt of a more prompt service or preferential treatment.

Gifts or hospitality should never be accepted from anyone who is, or may be in the foreseeable future, tendering for any contract with the Trust, seeking employment with the Trust or is in dispute with the Trust, even if you are not directly involved in that service area.

Where items purchased for the Trust include a 'free gift' such a gift should be used to Trust business or handed to the FD to be used for charity raffles.

If there is any doubt about the acceptability of any gift or offer of hospitality the SEL or FD must be consulted.

Any gift received must be logged on the Declaration of Gift or Hospitality form (Appendix H)

#### 29. Suspected Fraud

In the case of suspected fraud, the Audit Committee must be notified and the Trust's external auditors called in to undertake a full investigation if required. The Accounting Officer, in consultation with the Audit Committee, will decide whether the police should be notified. The Secretary of State/DFE must be notified of any loss arising from suspected theft or fraud exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Any unusual or systematic fraud, regardless of value, must also be reported.

For further information, please refer to the Trust's Anti – Fraud, Hospitality and Gifts Policy.

#### 30. Whistleblowing Policy

The Trust is committed to the provision of the highest quality services for local people and to full accountability for the services it provides. It is committed to the highest standards of conduct and has in place detailed rules, regulations, quality standards and procedures to ensure that these standards are observed. However, sometimes malpractice and wrongdoing may occur. The Trust is not prepared to tolerate any such malpractice or wrongdoing in the performance of its services. The Whistleblowing Policy is intended to be a clear and unequivocal statement that whenever any malpractice or wrongdoing by Trust or school staff, contractors or suppliers is identified or reported, it will be promptly and thoroughly investigated and that the alleged malpractice or wrongdoing will be rectified as necessary. The Trust will also investigate means of ensuring that such malpractice or wrongdoing can be prevented for the future.

The Trust will ensure that all concerns raised with them by whistle-blowers are responded to properly and fairly.

The policy is based upon the overriding principle that the public interest and the needs of service users must come first. The Whistle-blowing Policy complies with the requirements of the Public Interest Disclosure Act 1998 and is available to all staff.

#### 31. Data Protection

The Trust and its schools are registered with the Information Commissioners Office (ICO) in line with requirements. Please see the Trust's GDPR Policy for details of data protection arrangements.

#### 32. Energy Management

The Site staff are responsible for recording, monitoring and analysis water, gas and electricity consumption on a monthly basis. Meters should be checked before authorising any invoices from utility providers. Any discrepancies or unusual readings should be raised with the operation team and central finance team immediately.

The site staff ensures that the school's heating system is operated and run as efficiently as possible. The FD ensures that the school is purchasing energy at the most competitive price available. All staff have the responsibility to always work in an energy efficient manner (e.g. turning off computers, lights and heating when not required)

### 33. Insurance

The Trust reviews all risks annually to ensure the cover available and the sums insured are adequate. All schools are with the DfE Risk Protection Arrangement (RPA).

The Trust will notify the insurers of any new risks or any other alterations affecting existing insurance. The Trust will not give any indemnity to a third party.

The school will immediately advise the insurers of any accident, loss or other incident that may give rise to an insurance claim. This must be done via appropriate and agreed claim procedures.

### 34. Pooling of GAG

The Trust does not pool GAG funding. Any move to a GAG pooling arrangement will require approval from the Board of Directors.

### 35. Business Continuity Plan

The Trust has a Business Continuity Plan for Disaster Recovery in the Event of a Critical Incident. Schools should also each have a plan in place to cope with any potential event that could cause a disruption to their daily activity (a "Business Continuity Plan"). Each school has its own set of circumstances and should therefore tailor its Business Continuity Plan to those local circumstances. It is the responsibility of the Headteacher to ensure that such a plan is in writing and communicated to all staff.

The Trust has Business Interruption Insurance in place to assist with any additional costs incurred in temporarily relocating the school premises.



Appendix A

Scheme of Delegation 2025-26

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Statutory Report						
Completion of annual accounts/reports/returns to funding and regulatory bodies		X	X	FD		
Approval of annual accounts/returns to funding and regulatory bodies		X				
Receive the approved end of year accounts	X	X				
Completion and submission of other accounting returns			X	FD		
Maintain a register of business interest for the Trust				Company Secretary		
Authorised to completed VAT returns				FD/FM		
Complete Gender Pay Gap Report				HR Director		
Authorised to complete PAYE Returns				NEO PEOPLE (EXT)		
Appoint the Accounting Officer		X	SEL acts as the accounting officer			
Appoint the external auditors		X				
Appoint internal auditors		X				

Ensure that Governance details are available online				Company Secretary		
Maintain a Trust contracts register Schools to maintain their own contract register				Operations Manager		

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
<b>Financial Management</b>						
Ensure that Trust's continuing compliance with all Department for Education (DfE) financial management requirements		X	X	FD		
Review the Trust's Financial Procedures and all corresponding financial policies for approval		X		FD		
Approval of the Trust's Financial Procedures Manual		X				
Approval of the Trust's financial policies		X				
Determine a suitable level of reserves		X		FD		
Ensure that all relevant financial updates are brought to the attention of the board				FD		
<b>Trust/School Improvement Plan – Financial Implications</b>						
Prepare a fully costed improvement plan setting out the aims of the Trust/school			X	FD		Headteacher
Secure the implementation of the improvement plan with the collective support of Trust/school staff			X	SID		Headteacher

Consider the draft Trust/school improvement plan, review and monitor it		X		SID	X	
Approve an ongoing improvement plan and take stock of the progress of the plan on a termly basis (long term)		X			X	
Financial Planning						
Prepare a three-year medium term financial plan (MTFP) on the basis of the cost of current policies, the proposals for change (drawn from Trust/school's improvement plan) and estimates of the level of future resources.		X	X	FD	In discussion with LAC	In discussion with headteachers

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Consider the Trust/School's/STFP in the light of the development plan and level of future resources		X		X	In discussion with LAC	In discussion with headteachers
Approve the school's STFP and review this document in the light of any significant factors that come to the attention of the LAC and Trust		X			X	
Annual Budget Plan and Best Value Statement						
Undertake benchmarking exercises on an annual basis for review by the board				FD		
Review the view my financial insights data				FD/FM		Headteachers

Consider the benchmarking work undertaken by the Trust and propose changes, as required, to ensure that the Trust/school's budget achieves value for money		X				
Consider the SRMSAT report			X	FD		
Prepare the Trust/School's draft annual budget. Based on the agreed objectives of the school/Trust as set out in the improvement plan, STFP and key issues paper				FD/FM SID		In discussion with headteachers
Consider the Trust/school budget and key issues (links to the school improvement plan and STFP) and the proposal of the balanced budget for the year			X	FD/FM SID	X	
Recommends the budget for approval to the board				FD	LAC	
Approve the Trust's/School annual budget		X	X			

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Annual Timetable for Budget Management						
Prepare a timetable with key dates for annual budget management				FD		

Ensure that meetings are timetabled, taking into consideration financial deadlines				FD/FM		
<b>Budget Monitoring and Control</b>						
Monitor and control expenditure against budget during the financial year, including preparation and approval of reports for the LAC and Directors				FD/FM		
Review the management accounts reports and the projected out-turn position		X	X	FD/FM		In discussion with headteachers
The control and monitoring of delegated budgets				FD/FM		Headteacher
The board must ensure appropriate action is being taken to maintain financial viability including addressing variances between budget and actual income and expenditure		Accountable	Responsible	FD		Ensure financial viability for allocated budget
<b>Audit and inspection Report</b>						
Produce a formal response to the Internal Audit report and an action plan showing how the recommendations will be implemented				FD		
Consider the recommendation set out in the Internal Audit report and the action plan proposed for implementing these		X	X			

	<b>DELEGATION</b>					
<b>Area of Responsibility</b>	Trustees	Directors	SEL	Central Team	LAC	School

Ensure that the recommendations agreed by the directors have been implemented				X		
Systems of Internal Financial Control						
Ensure proper financial controls are in place across the trust			X	FD		
Review risk management and maintain a trust risk register		X		Company Secretary		Maintain the academy risk register
Ensure recommendation from internal and external audit reports are addressed				FD/FM		
Adopt Trust Financial procedures including Charging and remission policy		X				Ensure compliance with the policy
Retention and Disposal of Accounting Records						
Ensure maintenance of complete financial accounts and full supporting records for all accounts (both official and unofficial)				All Staff		All Staff
The retention, secure storage and disposal of accounting records in accordance with both legal and Multi-Academy Trust requirements.				All Staff		All Staff
The maintenance of full financial records for all accounts				All Staff		All Staff

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Ensure that the Trust/School complies with the requirement of the Data Protection Act				All Staff		All Staff
The setting up and maintenance of access profiles for system users and the production and security of back up disk and files				X		X
Financial Systems						
Undertake an annual review of the controls within the Trust's financial systems to support the signing of the Statement of Internal Control (SIC)		X				
Bank Arrangements						
Open bank accounts and approve or vary signatures thereto, taking into consideration the restrictions set out in the Finance Policy and any effect that this may have on the way the annual budget is advanced to the school		X				
Authorise payments and be a signatory of cheques			X	FD/FM		
The signing of cheques for more than £5,000 and reimbursement to the headteacher			X			
Approve the bank reconciliation on a monthly basis				FD		

Monitor the bank reconciliation and control procedures				FD/FM		
Business Charge Cards/Petty Cash						
Ensure Trust/schools adopt systems that replace the need for petty cash in schools				FD		
Completing the Schools monthly Business Charge Card Log						Designated Administrator

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Completing the Trust monthly Business Charge Card Log				FO/FM		
Approval of School/Trust Business Charge Card Log				FD		Headteacher
Business Charge Card policy approved and adopted by school		X				Ensure compliance with the policy
Leasing						
Seek approval for any proposed leases, from the Trust's Finance Committee, so that capital controls imposed by Government can be taken into consideration			Sign	Operations Manager		

Taking up a finance lease		X		Recommend approval to Board for submission to DFE		
The maintenance of a register of all leases held by the Trust/school (if not included in the school's Contract Register)				FD/FM & Operations Manager		Designated Administrator
HR and Payroll						
Payroll authorisation			Overview of Trust Payroll	HR Director		Headteachers
Authorisation of expense claim (staff cannot authorise own expenses claims)		Chair of Directors	X	Line Managers	Chair of LAC	Headteacher/Line Managers

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
The maintenance of an authorised signatory list of employment contracts and pay documents				HR Director		
Approval of HR Trust policies and procedures ensuring legal compliance and implementation across the Trust				HR Director		
Ensure accurate and legally complaint contracts of employment are produced and filed				HR Director		
The filing and storage of personal and pay records (including person specification and interview notes for at least 12 months)				HR Directors		Designated HR Administrator

Periodically reconcile gross pay with contracts and other authorised documents (produce a nominally roll report on a termly basis)				Finance Team/HR Team		
Authorise all employee-related expenses to be paid through payroll (e.g. employees' overtime, special allowance, travel expenses etc)			Overview of employee expenses payroll	HR Director		Headteacher
Personally approve all payments made to the headteacher/Trust staff i.e. reimbursement of payments of goods / service purchased on behalf of the school and / or personal expenses incurred e.g. travel expenses			Overview of employee expenses payroll	HR Director		Headteacher
Write for Board approval and implement the Trust's pay policies and appointment procedures for all staff employed through the schools				HR Director		
Staff severance and compensation		DFE approval over £50K	Delegated authority up to £50K	HR Director		
Ex gratia payments		DFE approval				
Provision of Goods and Services						

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Set house rules for a purchasing policy, monitor and review the rules in accordance with the Trust guidelines				FD		

Monitor purchasing regulations to ensure compliance by the school				FD		
Maintain a Trust Contracts Register in accordance with the Trust guidance				Operation Manager		
Act as Contract Manager and monitor contracts on an on-going basis				Operation Manager		
Review contracts on an on-going basis (and as part of ensuring the academy continues to achieve 'best value')				FD/FM		Designated Administrator
Ensure that a minimum of 2 written quotes are obtained for purchases and contracts valued at over £2000 and up to a value of £10,000				FM		Designated Administrator
Ensure the Trust approval is gained for all capital works		X	X	Operation Manager		Designated Administrator
Ensure that a minimum of 3 quotes for purchases and contracts valued between £5,000 and £20,000		X	X	FM/Operation Manager		Designated Administrator
Ensure that a minimum of 3 tenders are obtained for purchases and contracts valued between £20,000 and £100,000		X	X	FD		
Ensure that a minimum of 3 tenders are obtained purchases and contracts valued between £100,000 and EU limits. Contracts over £100,000 to be countersigned by the Trust		X	X	FD		

	DELEGATION
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Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Ensure that FTS is applied for all contracts over the threshold		X	X	FD		
Supervise contractors and service providers to ensure the receipt of best value for money and compliance with legislation				Operation Manager		
Orders for Goods and Services and Payments of Accounts						
The maintenance of an authorised signatory list for orders (subject to the limitation agreed)				FM		Designated Administrator
The authority for the signing of official orders for the purchase of goods and services up to the value of £5,000, excluding annual stock order						Headteacher
Authorising requisition for the purchase of all goods and services, over the value of £5,000				FD authorises on Sage and ensures that documents are uploaded onto Sage as evidence		Headteacher
Authorising requisition for the purchase of all goods and services, over the value of £20,000 must be authorised by the Accounting officer (£100K Directors depending on contract)		x	X	FD authorises on Sage and ensures that documents are uploaded onto Sage as evidence	X	Headteacher

The approval of capital projects		X	X	Fd/Operation Manager		
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	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
The confirmation of the receipt of goods and service						Designated Administrator
The preparation of BACS runs for payment of services				Finance Officer		
Approval of BACS runs for payment				FD/FM		
Insurance						
Initiate adequate insurance cover for the Trust/school, and maintain a register of policies taken out				Operations Manager		
Undertake an assessment of risk management for insurance purposes at the Trust/school				Operations Manager		
Security of Assets, Stocks and Other Property						

Produce and implement a policy for security arrangement at the school (including procedures for call-out and key replacements)					X	Headteacher
Approve and periodically review the policy for security arrangements at the school					X	
To determine a value above which assets should be recorded on the school's inventory				FD		
Maintain the school's inventory records						Designated Administrator

	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
Maintain the Fixed Asset Register for items purchased over £5,000 in line with the Fixed Asset Policy				FM/FD		
Ensure the physical security of the school's assets, and maintain and periodically inspect an up-to-date inventory						Headteacher
The security of physical assets						Headteacher
The notification of any changes in physical assets to Trust						Headteacher
To determine a value above which discrepancies in the inventory should be reported to the LAC					X	

The physical inspection of the inventory on an annual basis or through an on-going programme (random sample checks)						Designated Administrator
Authorise items for disposal up to a maximum value of £500						Headteacher
Authorise items for disposal above a residual value of £500						Headteacher
Maintain a register of key holders						Designated Administrator
Income						
The setting of a Charge Policy for consideration by the Board of Directors			X	FD		
The approval of the Charging Policy			X			
	DELEGATION					
Area of Responsibility	Trustees	Directors	SEL	Central Team	LAC	School
The drawing up of proposed charges for the various areas of the school's income, including lettings, meals and wraparound, on an annual basis				FD		Headteacher
Consider the proposed charges for the various areas of the school income for approval by the LAC						Headteachers
The setting of suitable controls for the recording and collection of monies due, and for the movement of banking of monies for all accounts under the control of the schools				Finance Team		

The control and collection of all income				Finance Team		Designated Administrator
The preparation of receipt for banking				Finance Team		Designated Administrator
The physical banking of monies				Finance Team		Designated Administrator
The approval of procedures for chasing outstanding income due to the school				FD		
The writing off of bad debts. Amounts in excess of this limit to be approved by the Directors		X	X	FD	X	
The investigation of bad debts owed to the school and approving amounts to be written off. These amounts will be up to a value of £500; items above £500 must be referred to the Multi-Academy Trust Finance Director for approval				Finance Team		Designated Administrator
Ensuring the security of monies held on site						Headteacher

Appendix B



FINANCE Processes: Trust responsibility or school responsibility?

The table below is designed to confirm and help differentiate the finance processes that are either normally undertaken by Schools (i.e. at the local level) or undertaken by central finance team. Should you have any queries relating to any of these tasks then please don't hesitate to contact central finance team as advice and support is always available. Email address: [finance@olicatschools.org](mailto:finance@olicatschools.org)

Finance Process	School	Central Finance Team (CFT)
Quotes	<p>Below £2k Supplier should be sourced from a list of suppliers held by the school. This list should be kept under regular review by the Trust and demonstrate previously good service to the school and proven value for money</p> <p>Between £2k - £5k (above £5k secondary) Three written quotations against a specified scope of works/goods to secure consistent quotations should be obtained for all orders between £2k and £5k to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by the Budget Holder/Central Finance Team or scanned onto Sage for Education for audit purposes</p> <p>Between £5k - £20k Three written quotations against a specified scope of works/goods to secure consistent quotation should be obtained for all orders between £5k and £20k to identify the best source of the goods/services. Written details of quotations obtained should be prepared and scanned on Sage for Education for audit purposes</p> <p>Between £20k - £100k Three written tenders against a specified scope of works/goods to secure consistent quotation should be obtained for all orders between £20,000 and £100,000 to identify the best source of the goods/services</p> <p>Over £100k All goods/services ordered with a value over £100,000 or for a series of contracts, which in total exceeds £100,000, must be subject to formal tendering procedures.</p>	<p>These quotes must be scanned onto Sage</p> <p>These quotes must be scanned onto Sage</p> <p>These tenders must be scanned onto Sage</p> <p>These tenders must be scanned onto Sage</p>

Requisitions	Requisitions to be raised by the school using Sage Intacct Requisitions to be authorised by headteacher up to the value of £5,000 Orders requisition over this value will require additional approval by FD	Once the requisitions authorisation process has been completed the CFT will convert the requisition into an order The Purchase order will be sent to the supplier or back to the school for processing to the supplier (depending on type of purchase)
Deliveries Notes	Goods will be delivered to the school. It is the schools responsibility to check the delivery and sign off the delivery note. Scan delivery note over to the CFT and advise of receipt of goods	Delivery note to be scanned onto Sage
Invoices	Supplier invoices <u>must</u> be emailed to finance@olicatschools.org School to confirm that the good have been received	Invoice to be processed by the CFT
Supplier Statements	School to email any supplier statements to the central finance team using the finance@olicatschools.org email address	Check supplier statements and file
Direct Debits	Any Direct Debit requests to be sent to the Finance Manager	Finance Manager to check if Direct Debit is required and process the paperwork
BACS Runs	No action required	Finance Officer to prepare and upload the BACS run Finance Manager to be first approver of the bacs runs Finance Director or Accounting Officer to be the final approver
Bank Reconciliation	No action required	Finance Officer/Manager to prepare the Bank reconciliation for their area Finance Director to complete Bank reconciliation as final authoriser

School Trips	School required to complete the initial checks and complete the school trip forms. Schools to source the coaches etc. and then the complete the order requisitions School Trip form to be signed off by headteacher Trip form must be emailed to the <a href="mailto:finance@olicatschools.org">finance@olicatschools.org</a> .	CFT to set Activity up on Sage
	Residential Trips ref Trip Policy All school trips must break even.	
Procurement Card	Procurement card holder to keep the credit card log, this must be checked against the statement monthly. Credit Card Log must be signed by the headteacher Once checked the completed form together with the vouchers must be sent to the CFT Only to be used for breakfast/after school club, food tech (all others ref FM)	Additional cards – to be administered by Finance Director Statements must be emailed to the schools when they arrive Statement log must be checked and entered onto Sage and reconciled monthly
Payroll Processing	All payroll forms (see HR processes)	Payroll journal to be processed by the CFT Finance Managers to complete reconciliation of payroll reports/control accounts for monthly management accounts
Staff Expenses (staff expenses for curriculum)	No staff expenditure permitted ref HR policies	
Staff Expenses (Mileage claims)	Anyone claiming mileage must complete the mileage claim form Employee must record their mileage on payroll system	HR Team to check details during checking payroll
Invoice for lettings/rent	Schools to complete the form requesting an invoice to be raised This form to be sent to the CFT	CFT to process the invoice onto Sage
Parent mail/Bromcom income and ParentPay	School to continue updating software as before. School to give access to the online reports to CFT	CFT to process the income onto Sage

General Income	School to bank all income as before School must complete income forms and email to the CFT DFE remittances must be forwarded to the CFT	CFT to process income onto Sage
Service Level Agreements & contract Register	School is required to keep a list of all service level agreements; contract register and yearly maintenance contracts. This list must be forwarded to the CFT for budget planning	
Gift Register	School must keep a list of any gifts received by staff or the school. This list must be emailed back to the Finance Director each year ready for the external audit	
Inventory Records	School are required to keep the Inventory records for all item purchased over £50. This record must be check yearly by headteacher Inventory records must be forwarded to central team yearly	No Action Required
Fixed Asset register	No Action Required	CFT to update fixed Asset Register with any assets over the value of £5K
Monthly Management Accounts	Meeting with Finance Manager/(Finance Director) to discuss that month's management accounts	Finance Manager completes the monthly accounts Finance Manager to send reports to the headteacher
Budget	No action required	FD/FM to work with headteachers/SID



Disclosure of Pecuniary Interests 2025 - 2026

Name:	Position:	School:
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SECTION 1: I declare the following interest(s):

Name of Business	Nature of Business	Nature of own interest	Nature of interest of connected party	Date interest began	Date interest ceased
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			(Please state name and relationship to you)		
EMPLOYMENT OR PARTNERSHIP IN BUSINESS					
APPOINTMENTS AS DIRECTOR, TRUSTEE OR GOVERNOR TO BUSINESSES, CHARITIES OR OTHER EDUCATIONAL INSTITUTIONS					
SHAREHOLDINGS OR FINANCIAL INTEREST IN OTHER BUSINESSES					

SECTION 2: Please tick if applicable

Neither I, nor my spouse/partner or any close relative has an interest in any organisation that may supply goods or services to the academy

SECTION 3: To be completed in all cases:

- I undertake to keep this declaration up to date while I hold any position that requires it, to notify any change to the Chief Finance Officer and to renew it each year.

- I undertake to abstain from any decision making which may result in substantial, direct or indirect, reward to me, my spouse or partner, friends or close relatives from a transaction made with the academy, whether or not that interest is declared here.
- I consent to relevant information being made available for inspection by authorised persons (e.g. OFSTED Inspectors, Internal and External Auditors)

Signed:	Date:
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## SCHOOLS AND TRUST BUDGET TIMETABLE FOR 2025/26

By	End February - Early March	DFE issues Academy budget on their secure website
	March	First draft budget, meetings with FMs/Headteachers/SID
	April	Second/third draft
	May	Final budget
	June	LAC approval
	July	Final Budget Plans for all schools to be approved by the Board of Directors
31st	August	BFR submission to DFE
31st	August	Upload the budget onto finance system



### Record of Self-Employed Status Form

It is a requirement of Our Lady Immaculate Catholic Academies Trust that we confirm you are responsible for your own tax before we pay you.

Name	
Address	

National Insurance Number	
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Vat Registered (Y/N)	Yes		No	
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Vat No	
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#### Declaration

I declare that I am registered with the Inland Revenue as being self-employed. I agree that it will be my responsibility to inform the Inland Revenue of any payment that I receive from

Our Lady Immaculate Academies Trust, and I will notify the school/Trust should my employment status change.

Signed:.....

Date.....



8										
9										
10										
11										
12										
<b>TOTAL</b>						<b>0</b>	<b>0</b>	<b>0</b>		
All the payments listed above were made solely in support of school or trust business The total amount shown matches the amount shown on the statement <b>BEST VALUE STATEMENT: As part of the overall Trust commitment to Best Value I confirm that I have obtained, where practical, the best competitive price / quotation before submitting this form</b>							<b>AUTHORISED BY</b>		<b>Headteacher/ Accounting Officer/Chair of Governors/Chair of Directors</b>	
Signature: _____ Date: _____							<b>Print Name</b>			
							<b>Signature</b>			





# OUR LADY IMMACULATE

CATHOLIC ACADEMIES TRUST

## DECLARATON OF A GIFT OR HOSPITALITY

Name:	Position
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I have been offered a gift / hospitality which I have declined

I have been offered a gift / hospitality which I have accepted

Date and time of offer:
Place where offered

Name of organisation /person making the offer their relationship with the school	Nature of interest / gift hospitality	Estimate value if applicable

Reason for accepting / declining gift / hospitality:

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Signed:..... Date .....

Approved by:..... Date .....

Accounting Officer /Chair of LAC as applicable On completion, please return this form to the Finance Director

Entered in Register:	Date:	Reference:
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