

OUSEDALE SCHOOL

FINANCE POLICY

This policy is intended to define fully the duties, powers and delegated responsibilities relating to financial matters within Ousedale School. It is supplementary to DfE and ESFA (Education and Skills Funding Agency) latest published Financial Regulations and Procedures,

1.0 RESPONSIBILITIES

- 1.1 The Governing Body is responsible for the proper financial management of resources allocated to the school.
- 1.2 The Governing Body will ensure that it and all school staff comply with the requirements contained in the Academies Financial Handbook and Academies Accounts Direction.

2.0 DELEGATION

- 2.1 The Governing Body delegates responsibilities for the financial management via the Finance and Premises Committee to the Headteacher, who is responsible for the day to day management of the school.
- 2.2 The Headteacher may delegate his/her authority to incur expenditure to:

School Leadership Team – Internal planning of budgets.

Finance Manager

- Monitoring and control of budgets and bank accounts.
- Oversight of purchase ledger and accounting systems.
- Processing of payroll.

Deputy Headteacher (Curriculum)

- Authorisation of all orders between £5,000-£10,000 to ensure compliance with departmental development plans.

Budget Holders (Heads of Department and other members of staff having responsibility for monies)

- Raising internal orders for processing.

3.0 FINANCIAL PLAN

- 3.1 A Financial Plan will be prepared by the Headteacher for each year and this plan will be approved by the Governing Body on the recommendation of the Finance and Premises Committee. This plan will be prepared in conjunction with the school's development plan.

- 3.2** Monitoring and reporting of actual expenditure and income against the financial plan shall proceed according to the Budget cycle, derived as a result of Ousedale’s Development Plan and adopted by the Full Governing Body.

SEPTEMBER	New financial year Money allocation to departments Outline plans of expenditure from Heads of Departments (level 1) Balance previous years actual expenditure Distribute related party forms to senior staff
OCTOBER	External audit (End of year)
NOVEMBER	Draft final accounts to Governors and confirmation final balances from auditors
DECEMBER	AGM – final accounts presented to Governors by Auditors Submit final accounts to ESFA Submit Land and Buildings collection return to ESFA
JANUARY	Submit Academy Accounts Return (AAR) to ESFA Publish audited accounts on school website
FEBRUARY	Half year financial review
MARCH	School receives general annual grant budget from ESFA/Milton Keynes Council
APRIL	Provisional budget prepared for new year. Including salary costs, curriculum allocation and school development plans.
MAY	Outline budget plan to Finance and Premises committee by Senior Management Close curriculum budgets after May half term Submit budget forecast return to ESFA
JUNE	
JULY	Draft budget plan to Finance and Premises committee Finance and Premises Committee presents budget plan to Full Governing Body for approval FRS 17 Return Submit 3 year Budget Forecast return to ESFA
AUGUST	End of Financial year

4.0 REVISION OF THE FINANCIAL PLAN

- 4.1** Any revisions of Ousedale’s Financial Plan are drawn to the attention of the Finance and Premises Committee of the Governing Body at formally convened meetings each half term.
- 4.2** The Finance and Premises Committee can make virements between headings but should inform the full Governing Body of any change above £100,000.

- 4.3 The Headteacher may make virements between budget headings up to £50,000.

5.0 FINANCIAL DETAILS

- 5.1 Financial reporting will be in a format as agreed by the Finance and Premises Committee.
- 5.2 Quarterly returns are generated by the accounting package in compliance with ESFA guidelines in order for reimbursement of VAT paid.

6.0 YEAR END BALANCE

- 6.1 In the event of potential deficit the ESFA will be informed immediately.
- 6.2 The Finance and Premises Committee will decide on the allocation of any underspend to various headings, having due regard to the advice of the Headteacher. A year-end balance in excess of 12% of the school's budget share must be accounted for in terms of future planned expenditure. Any significant re-allocation will be reported to the Full Governing Body.

7.0 CAPITAL EXPENDITURE

- 7.1 **Leases** – no leasing agreements will be taken out by the school without the agreement of the Headteacher up to and including £50,000 and the Finance and Premises Committee over £50,000 and up to £100,000.

8.0 AUDIT

- 8.1 All steps to minimise the risks of financial irregularities occurring are taken.
- 8.2 A programme of internal assurance work will be carried out in line with the internal scrutiny policy.
- 8.3 An Audit will be carried out annually by auditors appointed by the Governing body.

9.0 LEGAL PROCEDURES

- 9.1 Legal proceedings for recovery of sums due to the school will be undertaken by suitably qualified agents appointed to act on the school's behalf.

10.0 VOLUNTARY FUNDS

- 10.1 The audit of the school fund will be included in the audit of the whole school account.
- 10.2 All gifts to Ousedale School will become the property of the school rather than be held in trust by the Governing Body.

11.0 CHARITABLE STATUS

As an Academy, Ousedale school is a company limited by guarantee and exempt charity under the Charities Acts 1993 and 2006 and the Academies Act of 2010.

12.0 MONEY TRANSACTIONS WITHIN THE SCHOOL

12.1 All monies must be collected and banked via the Finance Office and no other member of staff should undertake this responsibility. Correct accounting procedures will be followed, receipts issued and parents kept informed.

13.0 PAYROLL PROCEDURES/AUTHORISATION

13.1 All variable payments must be authorised in accordance with financial procedures before processing, e.g. supply staff, overtime etc.

13.2 Sample checking of salary payments must be made by non-finance staff to safeguard against overpayments, duplicate/bogus employees, etc.

13.3 Authorisation of the salary transaction list must be sought from the Headteacher prior to and during transmission to BACS and the BACS confirmation, when received, is to be compared to the transaction list by the Headteacher and agreed.

14.0 ECONOMIC/GOING CONCERN RISK

14.1 This policy needs to be read in conjunction with the risk register.

To Finance and Premises Committee 27th January 2021
Approved by Full Governing Body 25th March 2021
Date of next review January 2022

**APPENDIX 1
SUMMARY OF DELEGATED FUNCTIONS**

	HEAD	F&P COMMITTEE
Responsibility for notifying the ESFA of the annual financial plan	✓	
Monitoring and reporting of actual expenditure and income against the financial plan according to the Budget Cycle	✓	✓
The maximum value of virement, without recourse to the full Governing Body	Up to £50,000	Up to £100,000
The maximum value of single transaction, without recourse to the full Governing Body	£100,000 £720,000 (salaries-related transactions only)	£250,000 £780,000 (salaries- related transactions only)
Responsibility for maintaining the register of pecuniary interests	For Staff	For Governors
The selection of suppliers	✓	
Responsibility for the awarding of contracts	Up to total of £100,000	£100,001 up to £250,000
Responsibility for entering lease agreements	Up to £50,000	Over £50,001 up to £100,000
Responsibility for setting scales of charges for lettings and the extent to which these can be varied or waived and by whom		✓
Responsibility for the safe custody of the assets financed from the official budget	✓	
The authority to dispose of surplus, obsolete or unserviceable items of equipment	✓	✓
Responsibility for permitting the write-off of items in the inventory book	£100 - £1,000	Chair of F&P over £5,000
Responsibility for approving write-off of debts due to the school		✓