Financial Regulations 2025

The BE Financial Regulations are subject to the BE Scheme of Delegation and will be updated in line with any changes to that Scheme of Delegation.

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AUDIENCE:	ALL STAKEHOLDERS
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OWNED & REVIEWED BY:	CHIEF FINANCE & OPERATIONS OFFICER
APPROVED BY:	CHAIR OF THE BE TRUST BOARD OF TRUSTEES/FINANCE & CAPITAL COMMITTEE
APPROVAL DATE:	03.12.2025

MAIN CHANGES/UPDATES FROM SEPTEMBER 2024

Key Changes in the Academy Trust Handbook (from September 2025)

3. Accounting Officer Responsibilities

- More detail is provided on what 'high standards of probity in the management of public funds' means.
- Definitions for 'regularity', 'propriety', 'feasibility', and 'value for money' are included, with the three elements of value for money being:
- Economy (cost reduction while maintaining quality)
- Effectiveness (achieving intended outcomes)
- Efficiency (maximum output/minimum input)

4. Financial Requirements and Procurement

- Additional guidance is provided for procurement, including due diligence and DfE opportunities.
- Resources for financial benchmarking, procurement advice, and VAT are listed.

5. Executive Pay Policy

- Your trust's pay policy **must** now explicitly set out the approach to executive pay, and decisions must follow a documented, evidence-based process.

7. Internal Scrutiny

- The income threshold for separate audit and risk committees is clarified (annual revenue income over £50m, based on last audited accounts).

8. Delegated Authorities

- New rules clarify that approval for novel, contentious, or repercussive transactions must be granted before the transaction is agreed or occurs.

9. Cyber Ransom Demands

- There is now a total ban on paying cyber ransom demands.

10. Notices to Improve (NtI)

- Educational performance is no longer grounds for an NtI; governance failures remain valid grounds.

11. DfE Fund Recovery

- The DfE may recover funds where there is evidence of irregularity or fraud.

Addition of Appendix 2 – Frequency of Reporting

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1. INTRODUCTION

1.1 The Brunel Education (BE) is the legal entity which is responsible for all the Trusts academies. It is their duty to ensure that each academy operates efficiently, legally, judiciously and safely.

1.2 Any reference to Provisions will include academies.

1.3 The purpose of these regulations is to ensure that the Trust maintain and develop systems of financial control, which conform to the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Secretary of State for Education, through the Department of Education (DfE).

1.4 The Trust must comply with the principles of financial control outlined in the Academy Trust Handbook published by the DfE. These regulations expand on that and provide detailed information on BE's accounting procedures and systems and should be read by all staff involved with financial systems.

1.5 This policy serves as an adjunct to the scheme of delegation providing information on the day-to-day operations and practicalities forming from this financial regulation policy.

1.6 The general conditions that follow are subject to annual review and consideration by the BE Board of Trustees, whom must formally minute both the review and any subsequent amendments and approval each year.

1.7 The BE Board of Trustees confirms that failure to observe these conditions is considered a serious matter and might involve disciplinary procedures being taken against the individual concerned.

1.8 The financial regulations are used in conjunction with the BE's Scheme of Delegation (SoD).

2. ORGANISATION

2.1 BE has defined the responsibilities of each person involved in the administration of BE finances to avoid the duplication or omission of functions and to provide a framework of accountability for LGC members and employees. The financial reporting structure is illustrated as follows:

2.2 The BE Board of Trustees (The Board)

The Board has overall responsibility for the administration of each Provision's finances. The main responsibilities of The Board are prescribed in the Funding Agreement between the Trust and the DfE and in the Trust's Scheme of Delegation. The responsibilities of The Board are as outlined in the Scheme

of Delegation (SoD) and also in the Academy Trust Handbook (ATH 2025).

2.3 Finance & Capital Committee (BE F&CC)

The Finance & Capital Committee is a committee of The Board. The committee meets at least once per term (minimum 3 times per year), but more frequent meetings can be arranged if necessary. The main responsibilities of the F&CC are detailed in the written Terms of Reference (ToR) and the SoD which have been authorised by The Board and include the following:

- Recommendations to The BE Board re each Provision and the central budget
- Expenditure approval rights from £25,000 to £59,999
- Receiving monthly management reports, to facilitate the monitoring of Provision's and the central Trust's actual financial performance vs budget and compared with budgeted priorities and cash flow, and taking remedial action as necessary
- Monitoring all spending and income received in the central Trust and Provisions
- Ensuring that funding from the DfE, Local Authority and other sources is used only in accordance with any conditions attached
- Monitor all contracts with a value over £25,000
- Ensuring the central Trust and Provision's have appropriate internal financial controls in place
- Reviewing and monitoring of budget projections / medium term financial plans to ensure the central Trust and Provision budgets are realistic and any financial decisions are sustainable

2.4 The Accounting Officer

BE has designated the BE CEO as its Accounting Officer (AO). Whilst the AO has responsibility, under The Board's guidance, for BE's management and staffing, their appointment as AO includes specific responsibilities for financial matters. In particular, the AO is personally responsible to Parliament, and to the AO of the DFE, for the resources under their control, and must be able to assure Parliament and the public of high standards of probity in the management of public funds.

2.5 The essence of the role is a personal responsibility for:

- regularity – dealing with all items of income and expenditure in accordance with legislation, the terms of The Trust's funding agreement and these regulations, and compliance with internal Trust procedures. This includes spending public money for the purposes intended by Parliament;
- propriety – the requirement that expenditure and receipts should be dealt with in accordance with Parliament's intentions and the principles of Parliamentary control. This covers standards of conduct, behaviour and corporate governance;
- value for money – this is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in The Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration. A key objective is

to achieve value for money not only for the Trust but for taxpayers more generally.

The AO also has responsibilities for keeping proper financial records and accounts, and for the management of opportunities and risks.

2.6 Whilst the AO is accountable for the Trust's financial affairs, the delivery of the Trust's detailed accounting processes will be delegated to the Chief Operations Officer (COO).

2.7 The AO must advise The Board in writing if, at any time, in his or her opinion, any action or policy under consideration by them is incompatible with the terms of the Academy Trust Handbook (ATH) or the Funding Agreement (FA). Similarly, the AO 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 ATH or FA. Where The Board is minded to proceed, despite the advice of the AO, the AO must consider the reasons The Board gives for its decision. If, after considering the reasons given by The Board, the AO still considers that the action proposed by The Board is in breach of the ATH or FA, the AO must advise the DfE's own Accounting Officer of the position in writing.

2.8 Chief Finance and Operations Officer

The Trust has designated the Chief Operations Officer (COO) as the named Chief Finance Officer (CFO) to work in close collaboration with the AO through whom they are responsible. COO also has direct access to the Trustees via the F&CC. The main responsibilities of the COO are as outlined in the post holder job description.

2.9 Local Governance

Each Provision will link into a Local Governing Committee (LGC) who will work in close collaboration with the Trust's central support team. The LGC's responsibilities are as set out in the Scheme of Delegation (SoD) and include the following:

- Determining the Provision's financial priorities through the Provision Improvement Plan
- Receiving termly management reports, to facilitate the monitoring of the Provision's actual financial performance compared with budgeted priorities and cash flow, and assist in The Board's remedial action as necessary
- Ensuring the local Register of Business Interests is kept up to date
- Receiving and commenting on the content of any audit report and monitoring the implementation of the agreed action plan which is shared with the Audit and Risk Committee for regular monitoring
- Ensuring the Provision adheres to the policies and procedures as specified by The Board
- Declaring any connected party transactions or business interests
- Regularly updating and monitoring BE's Risk Register and ensuring the

implementation of any mitigating actions

- Assist with Trust-wide procurement processes to achieve greater efficiencies

2.10 BE confirms that the day-to-day financial management of the Provision is delegated to the Head of Provision (HoP) subject to exceptions contained in these regulations and SoD. Throughout these conditions, delegation to the HoP shall imply further delegation as appropriate. Where the HoP wishes to permanently delegate certain financial matters or activities, then the level of that delegation shall be notified in writing to the individual(s) concerned, reported to the LGC in writing and incorporated into these conditions.

Head of Finance (HoF)

2.11 For the purposes of this document the term Head of Finance (HoF) refers to the person responsible for the day to day management of each individual Provision's financial operations.

Each provision will be allocated an experienced & qualified Finance Manager (FM) to support the HoP, LGC and BE to manage and protect resources appropriately or alternatively make use of the central support services provided by BE.

2.12 The HoF will work with the HoP and their Senior Leadership Team to ensure the Provision's financial processes and finance policies are followed. They will be responsible for the effective use of resources within their organisation and will notify the HoP and BE COO of any issues. The FM will provide monthly management reports to the HoP. The HoF will similarly provide monthly management reports to the Executive Team of the Central Trust.

General Requirement

2.13 All BE employees are expected to act professionally and with integrity and follow the internal control framework and financial policies of BE. All employees with financial management responsibilities should have access to the information and training required to perform their financial duties.

Register of Interests

2.14 It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Members, Trustees, LGC members and key employees are required to declare any financial interests they have in companies or individuals from which BE may purchase goods or services. The register is open to public inspection.

The register should include all business interests such as Trusteeships or shareholdings. 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 governor or a member of staff by that person. Details of Trusteeships can be found on Companies House website https://beta.companieshouse.gov.uk

The existence of a register of business interests does not, of course, detract from the duties of Members, Trustees, LGC members and employees to

declare interests whenever they are relevant to matters being discussed by The Board, a governing body or a committee. Where an interest has been declared, Members, Trustees LGC members and employees should withdraw from that part of any committee or other meeting.

All Members, Trustees, LGC members and employees must be given the opportunity to verbally declare previously undeclared interests, and any previously declared interests that may be relevant to the agenda, at every board, committee and LGC meeting. In accordance with the ATH the business interests of BE Trustees will be published on the BE website.

Related Party Transactions

2.15 In accordance with the ATH the following will apply to goods or services provided by individuals or organisations related to BE:

- BE must pay no more than 'cost' for goods or services provided by a related party as defined by the ATH.
- BE must ensure that any agreement with a related party is procured through an open and fair process and is supported by a statement of assurance from the individual or organisation to BE confirming that their charges do not exceed the cost of goods or services.
- Academy trusts must obtain DFE prior approval for contracts and other agreements for the supply of goods and services to the Trust by a related party on or after 1 September 2023 where a contract or other agreement exceeds £40,000 in the same financial year ending 31 August.
- Academy trusts must continue to report all related party transactions, regardless of value, in their annual financial statements as set out in the Academies Accounts Direction.

Novel, Contentious and Repercussive Transactions.

2.16 Novel, contentious or repercussive transactions must always be referred to DFE for approval, and the request must be made before the transaction occurs.

Trading with connected Parties

2.17 BE does not routinely carry out any trade with connected parties. Regular reviews of any potential connected parties against key management personnel are undertaken to ensure that connected parties are identified early and the register of pecuniary interest is cross-referenced against suppliers.

3.0 DAY-TO-DAY DELEGATION OF AUTHORITY

Mileage Allowances and Subsistence Claims

3.1 Refer to the BE Travel and Expenses Policy

3.2 Supply Employees

a) All supply employees will be recruited and trained by Central Services People Services (PS) Team and appointed by the HoP or as otherwise directed by the HoP. At the same time the appropriate commitment for the estimated costs incurred will be entered on to the Provision finance system. It is the responsibility of the Finance Manager to ensure this is done.

b) It is the responsibility of the individual member of supply employees to agree with their line manager the hours worked in the particular payment period. The line manager (or HoP) will then authorise the claim and forward it to the Finance Team. If a dispute arises over hours claimed, the HoP will be informed immediately.

3.3 Contract Approval

Any contractual commitment with a term of longer than 12 months, including lease agreements, will require the approval of BE F&CC. The process must include reference to the BE Business Case / Contract order form.

By law an operating lease is the only type of lease available to Provisions. These leases involve the Provision paying a rental for the hire of an asset for a period of time and have the character of a rental agreement. No other lease, such as finance leases or hire purchase, may be entered into by the Provision as this is a form of borrowing.

3.4 Insurance

Insurance cover for the Trust academies will be reviewed and confirmed at Trust Board level. Insurance will cover will include:

- Public Liability
- Buildings and Contents
- Terrorism
- Business Interruption
- Employer Liability
- Hirers Liability
- LGC/Trustee/Members Liability
- Provision Journey
- Personal Accident
- Motor
- Engineering
- Cyber

3.5 Business Continuity Planning

The BE Business Continuity Plan (BCP) will be held centrally but each Provision must hold their own emergency plan which is owned by the HoP. The monitoring of the BE BCP will be the responsibility of the BE Audit & Risk

Committee, while the Provision emergency plans will be the responsibility of HoP and their SLT. The Provision emergency plan will be monitored and reviewed by LGC, and any high-risk areas included in the Provision Risk Register.

4.0 FINANCIAL PLANNING AND REVIEW

The academy trust will prepare rolling 3 year budgets for all academies within the trust and a consolidated 3-year budget based on the most accurate information known at the time of creation.

The budget cycle

The budget cycle is as follows:

- **Autumn term (Sept – Dec)**
  - Implementation of approved BFR budget, revised where appropriate and subject to Board approval
  - Monitoring expenditure (continuous-monthly)
  - Reconciliation and closure of previous financial year
  - Termly review of pupil number projections
- **Spring term (Jan – Mar)**
  - Monitoring and reviewing of current year budget
  - Pre-planning new financial year budget
  - Termly review of pupil number projections
- **Summer term (Apr – Aug)**
  - Preparation and submission of forthcoming year budget plan for Board approval
  - Submission of Academies Budget Forecast Return (BFR) to DFE
  - Monitoring and reviewing of current year budget
  - Termly review of pupil number projections

All requirements of the DFE, in particular relating to carry forward of unspent funds, will be taken into account in preparing and submitting the budget.

Budget Planning / Setting

4.1 The Provision's overall budget plans (both one year annual and multiyear forward financial plans) will be prepared by the HoP supported by the FM (overseen by ELT) and shared with LGC's for information purposes. The budget will be prepared having regard to all known needs of the Provision including the Provision Improvement Plan. It is the responsibility of the COO to ensure that all the required budgeting paperwork is submitted to BE Finance and Capital Committee in accordance with the published timetable, then to the Board for final approval.

4.2 Detailed records will be kept of all information used in preparing the budget, including estimations of staffing requirements and calculations of all costs, cross referenced to the assumptions made.

4.3 The Finance Team will be responsible for ensuring that the Provision has budget business plans in place for all trading activities e.g. catering, uniform sales, lettings etc. The business plan should clearly show the anticipated operating surplus or deficit. All budgeted business plans should be clearly linked to the Provision Improvement Plan. It is expected, wherever possible, for Provision's to operate a balanced in-year budget.

4.4 The Provision budget will be submitted to the Board for final approval.

4.5 The approved budget should be promptly loaded onto the Provision's financial accounting system.

4.6 A copy of the signed budget plan (within the minutes to the LGC & Board meeting) is to be placed in the local minute file, the Board minute file and a further copy retained by the HoP. A copy of the financial system's budget should also be signed by LGC or COO and should match the final budget plan.

Deficit Budgets

4.7 Provisions should not plan for a deficit balance after reserves pooling.

4.8 When a provision is forecasting a deficit balance at the end of the current year, the FM school report this immediately to the HoF/COO/ELT/LGC.

4.9 Where the setting of a deficit balance for the current year seems unavoidable the following procedure will be implemented:

a) The provision will be supported by the Team Around the School TAS process which will have representatives from all function of the trust.

b) The provision liaising with the TAS group will produce a deficit recovery plan in a format specified by the trust with a target of remedying the deficit within 12 months.

c) The deficit recovery plan must be approved by C-Suite (CEO,COO & CDoE) and presented to the trust board. The plan also need to be shared for information purposes to the LGC.

4.10 In exceptional circumstances the recovery period can be extended. Such requests will need to be approved by C-Suite who will need to be satisfied that the circumstances are indeed exceptional, and that all reasonable actions will be taken to clear the deficit at the earliest opportunity.

4.11 Where the provision has a change of circumstances which results in a deviation from the agreed deficit recovery plan, the school must discuss the situation with the FM/HoF at the earliest opportunity.

4.12 In all instances of deficits, provisions may be required to provide information and/or cooperate with local authority officers with a view to ensure that the deficit is managed and monitored in an appropriate manner.

Budget Monitoring

4.13 The FM will be responsible for supporting the HoP with monitoring actual income and expenditure against budget for each line item and producing and circulating appropriate reports to the LGC and BE Trustees on a monthly basis. Urgent budget issues will be reported to the LGC immediately.

4.14 In accordance with the ATH, the HoF will circulate monthly management accounts, including income and expenditure reports on an accrual's basis, cash flow forecasts and balance sheets to the Trust Board, together with a written explanation of significant variances against budget, and with a projection of income and expenditure to the year-end. The limit for expenditure accruals will be £1,000 per invoice that crosses more than one period.

Financial Returns

4.15 The COO will be responsible for preparing all the financial returns required by the Department for Education(DfE). All returns will be completed in the required timescales.

4.16 In order to give a true and fair view the financial statements for the annual accounts must be prepared according to the requirements of the Companies Act 2006 and Regulations made under the Act, and applicable United Kingdom accounting standards. Trusts must also prepare their accounts in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised) ('the SORP'). They must also be prepared in accordance with the accounting policies agreed by the Board. A copy of the SORP together with accompanying information sheets, other Charity Commission guidance and legislation are available to view and download from the Charity Commission website at:

https://www.gov.uk/guidance/charity-commission-guidance

4.17 The BE Board is responsible for approving the BE Annual Accounts and Annual Report and ensuring the Annual Accounts are audited and submitted to the DfE by the required deadlines. Details of all financial information required are as set out in the latest Accounts Direction for the year being reported.

4.18 In addition to submitting accounts to the DfE, under section 442 (2a) of the Companies Act 2006, accounts must be filed with Companies House within 9 months of the end of the accounting period.

4.19 The Companies Act 2006 requires the Academy to publish its Annual Accounts and Annual Report. This will be done via the Trust's website.

5.0 INTERNAL CONTROL

The objectives of Internal Control are to give BE Trustees confidence that as far as is reasonably possible:

a) BE's accounting records are accurate and complete

b) The financial procedures in operation minimise the risks of misappropriation of funds and assets

c) BE achieves best value.

5.1 The HoF is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. All

discrepancies are to be investigated immediately and reported to the appropriate HoP, COO and if necessary, the bank.

5.2 The FM is responsible for ensuring that VAT transactions are recorded accurately for each Provision. The HoF is responsible for preparation and submission of the Trust VAT return, and to reconcile the VAT control accounts.

5.3 The Board is responsible for ensuring that internal scrutiny reviews take place annually to provide assurance that the internal controls as well as processes are robust. To support them in fulfilling this role The Board will commission an external provider to carry out an annual review of controls. The COO will ensure that an action plan is drawn up to address any weaknesses identified and will review this on a regular basis. All internal scrutiny reports will be reviewed by the LGC and The Board.

5.4 It is a legal requirement for the Trust to prepare audited, consolidated accounts. The Members will appoint the statutory auditors to audit the accounts and confirm that they are "true and fair." The HoP and COO will be required to ensure that up to date and accurate accounts are available and that year end processes are followed. The COO, HoF, FM and HoP will need to be available to support the statutory auditors in conducting their work.

Separation of duties

5.5 It is the responsibility of the HoF to ensure that key financial duties are properly segregated between individuals. Functions to be separated between staff will include:

a) Execution – the placing of an order and receipt of goods and services, and the charging and receipt of a fee.

b) Authorisation – the authorisation of a transaction such as a purchase order and the payment. These may be online authorisations.

c) Payment – the raising of cheques / BACS and cheque / BACS signatories. BACS authorisations are authorised online through our Commercial Banking Portal.

d) Custody – the holding of goods and services.

e) Recording – the completion of the accounting records.

f) Post transaction management checking– reviewing previous transactions to identify errors or intentional manipulation.

Accounting Arrangements

5.6 The financial transactions of the Provision must be recorded in accordance with BE's approved accounting policies and recorded on the Trust's accounting system. All transactions input into the accounting system must be authorised in accordance with the procedures specified in this manual.

5.7 Entry to the accounting system is password restricted.

5.8 Access to the component parts of the accounting system can be restricted and the COO/HoF is responsible for determining access levels for all employees

using the system.

5.9 The Trust will adopt the Academies Chart of Accounts which will be used by the individual academies. Requests to set up new ledger codes need to be made to the HoF.

5.10 The COO is responsible for ensuring there is an effective back-up procedure for the accounting system.

5.11 The HoF is responsible for ensuring the following reconciliations are carried out on a monthly basis and account balances reviewed.

- Debtor control accounts
- Creditor control accounts
- Payroll control accounts
- Sundry creditors/accruals – over £1,000 and covering more than one month
- Sundry debtors/prepayment – over £1,000 and covering more than one month (action to be taken after 12weeks)
- Suspense accounts
- Intra-company accounts
- Fixed asset accounts
- Any other balance sheet accounts as appropriate

Any unusual or long-standing reconciling items should be brought to the attention of the COO.

The COO is responsible for ensuring the following reconciliations are carried out on a monthly basis and account balances reviewed.

- Bank account
- VAT account
- Intra-company accounts

6.0 ASSETS AND INVENTORY

6.1 The HoF & COO should ensure that all items which have a useful life and value lasting more than one year and which is above the de Minimis level set in the BE's accounting policies are recorded on a fixed asset register and capitalised in the accounting system. Fixed Asset Registers should be kept for tangible assets and intangible assets and should include the following information (where relevant):

- asset description
- asset number
- serial number
- date of acquisition
- asset cost
- source of funding

- expected useful economic life
- depreciation
- current book value
- location
- supplier
- warranty information

Condition of the items should be reviewed annually, and adjustments made to the register if required.

Inventory

6.2 BE will keep an inventory to:

- Ensure proper physical control of Provision equipment.
- Provide a basis for insurance cover and claims if equipment is damaged or destroyed.
- Provide an up-to-date record of the equipment available for teaching purposes.
- Help the Provision plan its equipment replacement programme.

All portable items of equipment will be security marked with the name and postcode of the Provision. If the Provision chooses to use an invisible form of marking, then the item of equipment must carry a visible reference to the fact that the equipment has been security marked. Items not security marked are potentially not covered by insurance.

The following categories of inventory will be entered in the inventory register at the time of acquisition by the Provision: -

- All items above the de-minimus value at the time of acquisition or purchase, either individually or as a set.
- Items below the value noted in (i) above but which are considered attractive and portable.
- Items considered by the CS Finance Team as being worthy of inclusion (furniture, all ICT assets including mobile phones)
- Items hired to or leased by the PROVISION, that match any of the above criteria will be included, but identified accordingly.

The inventory register will record the following information;

- Item description
- Serial number or asset reference number
- Date acquired
- Acquisition cost

- Asset location
- If item has been security marked
- Date of last physical check

The HoF is responsible for maintaining the inventory register.

All inventory items recorded in the register will be checked annually by the COO and certified as correct. Any adjustments arising from the physical check must be authorised. Evidence of the annual check taking place will be by date and signature of the person responsible for the check on the inventory sheets used for the check. These sheets will be retained on file for at least 24 months to provide an audit trail for changes made to the register as a result of the check.

All authorised disposal of PROVISION inventory must be recorded, showing the method of disposal and the authority for such action (see Section 3.4).

A separate 'Off Site Register' shall be kept for all items loaned to employees and pupils. In the event of any items not being on site when the inventory is checked, reference shall be made to this on the documentation used for the inventory check.

7.0 BANKING ARRANGEMENTS

7.1 All decisions with regard to choice of banking service provider and subsequent banking arrangements will be made by the Board.

7.2 The CS Finance Team must ensure that the BE budgets never become overdrawn. Any concerns regarding cash flow should be reported to the COO.

7.3 The HoF is responsible for carrying out monthly bank statement reconciliations for all bank accounts within two weeks of receipt. Any un-reconciled payments older than six months, and unreconciled receipts older than one month, must be investigated and appropriate action taken.

7.4 Trustees will wish to maximise income as far as possible and, where appropriate, other accounts will be maintained, in addition to the normal current account. At all times decisions should meet compliance with the Trusts Investment Management Policy.

7.5 Direct Debit or Standing Order payment arrangements must be signed in by authorised signatories, in accordance with the Trust's bank mandate.

When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each cheque will be listed separately. This may be by means of a Cash Analysis Sheet – clearly identifying the bank paying slip number.

8.0 PETTY CASH

Minor items of expenditure can be paid for or reimbursed to employees through the Provision's own petty cash system. The amount to be held (imprest) for petty cash

disbursements should be agreed by the LGC but must not exceed £500.

Expenditure paid through petty cash should not exceed £25 on any one item, and not exceed £40 in any one week to one individual. Requests for amounts above this limit can only be authorised by the HoP.

All purchases made through petty cash, regardless of size, should be pre-authorised by the HoP. Purchases made by the HoP must be pre-authorised by the Chair of LGC, COO or CEO.

All payments made must be supported by a VAT receipt for the goods purchased, along with an appropriate voucher signed by the employee receiving the cash.

In order for the VAT to be recovered the VAT receipt needs to be scanned and attached to the journal entry to support in the completion of the central VAT return. In the absence of a scanned VAT receipt the expenditure needs to be coded as out of scope for VAT purposes.

All petty cash will be kept in a locked box in the safe and a nominated FO will be responsible for its security.

The amount of petty cash held in the Provision must be kept to a minimum and should never exceed £500 at any one time. The maximum amount of cash held in the Provision at any time must never exceed the insured limit for the safe as set by the Provision's insurance cover.

The FO will be responsible for the prompt entry of transactions onto the accounting system. The FO's will be responsible for the monthly reconciliation of the petty cash. Expenditure plus cash in hand should equal the imprest.

All documentation should be scanned into accounting system and attached to the relevant journal.

9.0 PAYROLL AND PERSONNEL PROCEDURES

All employee appointments, amendments to an employee's terms of employment and terminations of employment are to follow the arrangements for authorisation of the VRF 1 (replacement of existing position), VRF2 (new position), VRF3 (temporary agency position). Recruitment steps are to follow steps outlined in Part 3 of Keeping Children Safe in Education. (Keeping Children Safe in Education 2025)

Neither the HoP nor the Deputy Head Teacher/Vice Principal can authorise amendments concerning their own pay and contract conditions. Changes to the HoP's pay and contract conditions must be authorised by the BE Board.

A nominated FM & the Payroll Manager has responsibility for checking and reconciling actual monthly payroll payments and deductions to those expected and committed. Checks should be made against salary commitment spreadsheets, reference to the previous month's pay, and any sick pay, overtime, supply or pay deductions schedules from the previous month.

Monthly payroll related payments including payments made to outside employment agencies are to be debited against the relevant budgets and credited to the payroll

control accounts. After the appropriate BACs transfers and the corresponding entries in the payroll control accounts and the BE bank accounts have been made, any balance remaining in the payroll control accounts must be reconciled, and appropriate explanations documented. It is the responsibility of the HoF to ensure that this is done.

Each month the HoF, with COO approval, will reconcile back to the bank statement all payments for salaries, BACS, and other salary related payments.

Each month the FM will check a sample of the personnel records maintained by the Provision to the payments actually made. It is expected that over the course of a year, every employee will have their salary payment checked against personnel records at least once. It is the joint responsibility of PS & HoF to ensure this is done.

Copies of all post payroll notifications and amendments will be filed by the Payroll Manager and kept securely.

10.0 INCOME

General

The main sources of income for BE are the grants from the Education & Skills Funding Agency (DFE) and the Local Authority top up funding. Other sources of funds include income from our sponsors, tenants, students (academy meals and trips / events) other Provisions and professional bodies, and the public. It is the responsibility of the COO to ensure that all income due to BE been received, banked and that all income due to BE is collected and reconciled to its financial accounting system.

All income received should be recorded immediately on BE's daily record books and entered onto BE's financial accounting system. The collection record should contain the amount received, the name of the person / organisation making the payment, the date the payment is received, and the method, i.e. cash or cheque. Daily Record Books could be in the form of paper sheets, excel spreadsheets, or online cash collection agencies e.g. ParentPay.

All income received by BE should be banked at a minimum of fortnightly and **in full** (unless the individual Provision collects most cash via online collection, in which case smaller cash/cheque amount may be banked on a monthly basis***)***. The insurance policy cover for cash and cheques held on site must not be exceeded. However, if a high level of income is expected e.g. proceeds from a fete, the insurer must be

informed to obtain additional short-term cover, and the income must then be banked as soon as is practicable**.**

Personal cheques should not be cashed.

When income is banked the collection record must be totalled in value in order to provide a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip number should then be entered onto the income collection record to assist in providing a clear and simple audit trail.

When banking money received (either cash or cheques) the bank paying in slips will be completed in full, clearly showing the split between cash and cheques, and each

cheque will be listed separately, either on the bank paying in slip, or the Provision Cash Analysis Sheet.

Income received by the Provision will be acknowledged to the payer by either i) issue of a receipt when the value of the payment exceeds £20 or, ii) by the collector signing an official collection record i.e. Residential Trip Payment Card. No category of income should be excluded from the issue of a receipt e.g. academy meals. Copies of receipts issued should be retained for future reference, e.g. to resolve a dispute over payment. If an online cash collection system is used, entry onto the system by Provision staff will be deemed to be a receipt as parents and carers will be able to view all entries for their children.

Custody

10.1 Where required, official, pre-numbered Provision receipts should be issued for all cash and cheques received where no other formal documentation exists. Letters of thanks for donations may also be considered to be receipts, providing the letters include the amount and nature of the donation, and the name of the donor or organisation. All cash and cheques must be kept in the safe prior to banking.

10.2 Monies collected must be banked in their entirety (intact) in the appropriate bank account. The Finance Officer is responsible for ensuring that reconciliations between the sums collected, the sums deposited at the bank and the sums posted to the accounting system and related system generated reports, i.e. Dinner Money module and other automated income collection systems, i.e. ParentPay are completed. The reconciliations must be prepared promptly after each banking and must be reviewed and certified by the Finance Officer.

Trips

Manual system (or alternatively see automated system below)

10.3 HoP take responsibility for the collection of sums due. A record will be maintained for each student intending to go on the trip, showing the amount due. The finance team are responsible for monitoring and auditing the process and physical banking of cash/ manual receipts.

10.4 Students should make payments with the class teacher. Receipts will be issued as described above, including online cash collection entries.

10.5 The finance team should maintain an up to date record for each student showing the amount paid and the amount outstanding. The finance team in conjunction with the Provision Admin team are responsible for chasing the outstanding amounts.

Automated Systems

10.6 Provision's may use online cash collection systems for recording and collecting payments for all payments made to the Academy in respect of its students. Parents and carers may pay online using a debit or credit card, or by PayPoint at authorised shopping outlets. Cheque and cash payments will be

entered by the finance team. There may be a facility to record payments made by the academies on behalf of the student – e.g. Pupil Premium support.

Catering / Meals Income

10.7 **Provision Meal Income Class Registers:** the completion of manual registers must be in ink. Online registration may be used where appropriate. The value of income collected must be reconciled to the number of paid-for meals provided. The value of academy meal income banked must be supported by a consolidated summary sheet of income by class register which provides a clear cross reference to the value entered on the bank paying in slip. The bank paying in slip reference number should be entered on the consolidated summary sheet.

10.8 **Provision Meal Income Software Packages:** the bank paying in slip reference number should be entered onto the academy meal system to provide a simple and clear audit trail from income received to income banked.

Receipts for academy meal income should be issued when the value of the payment received exceeds the value set out in Section 9.17. Receipts will be deemed to be provided by means of ParentPay once the system is in use, as parents and carers will be able to see all payments recorded by finance staff.

Automated Payments

10.9 When setting up a contract with a new supplier for provision of this service, consideration should be given to the following areas:

i) Basis of fees payable to the company

ii) Complete audit trail and facility of income reconciliation of totals received

iii) Reminder facilities to chase up overdue amounts

Any contract for the services of an online parental payment system Service Provider will be reviewed regularly to ensure that the academy is getting value for money and that the provider is giving an adequate service. A copy of the contract should be held in academy. The COO must authorize any new contract.

11.0 RISK MANAGEMENT

11.1 The BE Audit and Risk Committee (A&RC) should ensure that the Board Risk Register is reviewed regularly. At each meeting the A&RC should discuss the BE Risk Register as a separate agenda item, and any new risk identified should be discussed, mitigated and recorded in the minutes. A copy of the register should be presented to the A&RC at every meeting. Copies of all minutes should be forwarded to The Board.

11.2 Where risks arise that threaten the reputation of the Trust or the financial viability of BE they should be notified to The Board immediately.

12.0 LETTINGS POLICY

General

12.1 The Board recognises the position of the Provision in the local community and that encouragement should be given to the use of the Provision premises by outside organisations.

The Board wishes to take every possible care to ensure that all children / young people and others using the Provision premises out of Provision hours are safe from abuse and that they are treated with dignity and respect.

The letting of the Provision is the responsibility of the LGC, and the administration of the letting is the responsibility of the CS Facilities Management Team.

Application Form

12.2 All hirers will complete the appropriate lettings application form relevant to the individual academy. Long term hirers must complete a letting application form at least annually. Day to day approval of requests for hire will be the responsibility of the HoP who will sign the letting application form in the designated space, after -

a) Agreeing the scales of charges to be applied. Abatement of charges can only be made, subject to LGC approval.

b) Checking to ensure the application form has been properly signed by the hirer.

c) Confirming if the hirer is affiliated to any national association that has its own child protection policy.

d) Checking that the hirer has a child protection policy if not affiliated to a national association,

e) Checking that a copy of the academy's own child protection policy and guidelines has been passed to the hirer where relevant and that the hirer has signed to confirm receipt and acceptance.

f) Checking that appropriate insurances are in place.

g) Deciding if it is necessary to seek references for the hirer.

Bookings

12.3 All requests for hire will be logged in the Provision calendar by the relevant Provision employee. Payment will be required upon receipt of an invoice generated by the relevant FO. In other instances, it may be appropriate to require a deposit. All deposits will be banked immediately, and should a refund of the deposit be subsequently required, then a refund will be issued.

Payments

12.4 The Provision FM is responsible for ensuring that invoices are raised and issued.

13.0 Trustees & LGC MEMBERS' ALLOWANCES

13.1 Section 36(5) of the Education Reform Act 1988 enables Governing Bodies to decide whether they wish to pay travelling and subsistence allowances from the Provision budget to individual members of the Governing Body. The policy of the LGC members in respect of payment of allowances must be openly available to parents and LGC members. The Governing Body must consider the payment of allowances annually, and the outcome must be recorded appropriately in the minutes.

13.2 The Trust has agreed that LGCs may make their own decisions regarding payment of expenses to LGC members, in line with HMRC limits.

13.3 The BE Board of Trustees has agreed that Trustees may claim reasonable expenses in line with HMRC limits. These must be authorised by the Chair of the Board or Chair of Finance & Capital Committee. Expenses for the Chair of the Board must be signed by the Chair of the Finance & Capital Committee.

14.0 WHISTLEBLOWING POLICY

Refer to BE Whistleblowing Policy.

This policy has been approved by the Finance and Capital Committee and adopted by the BE Board of Trustees. The policy will be reviewed every year or earlier if change to legislation.

Signed on behalf of the BE Board of Trustees:

Signed:  CEO



Signed: Chair of BE Board of Trustees

Date: 03.12.2025

Appendices

Appendix 1 – Summary of Financial Scheme of Delegation/ Authorisation & Approval

If approval for a contract spans more than one year, the limits below apply to the total value over the life of the contract not the per annum cost.

Process	Value	Delegated Authority
Order Approval	up to £10,000 (excluding utilities)	As per Scheme of Delegation – HoP (Sponsored and/or Supported Provisions require Joint COO approval)
	£10,001 to £24,999	As per Scheme of Delegation – LGC (Sponsored and/or Supported Education Provisions require Joint COO approval)
	£25,000 to £59,999	BE Finance & Capital Committee
	£60,000 and over	BE Board of Trustees
3 competitive quotations	Up to £10,000	As per SOD Established Provisions only - HoP
	£10,001 - £24,999	As per SOD Established Provisions only - LGC
	£25,000 up to WTO GPA threshold (OEJU limit)	BE Finance & Capital Committee
	Over WTO threshold	BE Board of Trustees
Formal Tender Process required	Over £50,000	BE Board of Trustees would usually oversee process in conjunction with a specialist
WTO Tendering Procedure	Over £213,477 (incl. VAT) – Supplies/Services Over £5,336,937 (incl. VAT)– Works Contract "Lighter touch regime" £663,540 (incl VAT)	Limits as from Jan 2022
Authority to accept other than lowest quote	Up to £5,000	As per SOD Established Provisions only - HoP
	£5,001 up to £9,999	As per SOD Established Provisions only – ELT – to be noted by LGC
	£10,000 up to WTO supplies / services limit	BE Finance & Capital Committee.
	Over WTO supplies / services limit	BE Board of Trustees
Cheques	Up to £10,000	Any two from the mandate list
Direct Debit Mandates	Any value	COO and/or HoF only
BACS	Total Value of Bacs File less than £25,000	FM/HoF (2 signature operation)
	Over £25,000	COO (Delegated to HoF in COO absence) (2 signature operation)

Process	Value	Delegated Authority
Approval for Virements between nominal codes and budget headings.	Up to £10,000 (in-year only)	As per SOD - HoP
	Over £10,000 and within year	As per SOD - ELT
	Over £25,000 or more than 1 year	ELT, BE Finance & Capital Committee
Acquisition/Disposal of Land and Buildings	All Values	DFE Approval See DFE website for relevant forms
Disposal of Surplus Stock, Stores & Assets	Up to £250 Single Item	HoP
	£251 up to £5,000	ELT
	£5000 up to £45,000	BE Board of Trustees Write-off forms to be completed and advised to Finance & Capital Committee
	Above £45,000 must be reported to the Secretary of State.	DFE - 1% of total income or £45,000 per single transaction (whichever is the smaller)
Write off of Bad Debts/Guarantees, Letters of Comfort or Indemnities	Up to £250 single transaction	HoP Write-off forms to be completed
	£250 to £1000	ELT
	£1000 to £44,999 Single transaction	BE Board of Trustees Write-off forms to be completed and advised to BE Finance & Capital Committee
	Over £44,999 single transaction	DFE Approval - 1% of total income or £45,000 per single transaction (whichever is the smaller)
	Cumulative, over 5% of total income	DFE Approval - Subject to annual limit of £250,000
Special Payments e.g. staff redundancy payments / settlements	Up to £50,000	BE AR&FC
	Over £50,000	BE Board of Trustees *settlement payments > £50K require DFE approval

Approval of Returns & Reconciliations

Return	Delegated Authority	Additional Guidance
VAT Return	CFO	One VAT return must be prepared centrally for the whole BE
Bank Reconciliations	HoF/CFO/CEO (Ensure approver is different to person completing)	To be prepared at least monthly
Funding Reconciliation	FM to prepare, CFO/ HoF to review and report	To be prepared at least monthly
Budget Forecast Return	COO to prepare, AO/CEO to approve	
Risk Register	Provisions to prepare and review. Central Risk Register prepared and reviewed by Director of Operations BE Board of Trustees to monitor and review	Provisions evaluate with LGC reporting to BE Board via AR&FC
Register of Business Interests	LGC & BE Board of Trustees	To be completed annually & updated at each meeting
Gifts and Hospitality Register	HoP to report to HoF	To be reviewed/monitored by F&CC
Business Continuity Plan	BE Audit and Risk Committee	BE Whole trust BCP held with emergency plans held by individual Provisions
Financial Management and Governance Self Evaluation	COO	F&CC review and agree the action plan.

Other Monetary Limits

	Limit	Additional Guidance
Mileage Allowance	HM Revenue and Customs approved rate	Not authorised between sites
Petty Cash Imprest	£500 (maximum per Provision)	Provision specific
Safe Cash/Cheque Limits	£1,000 cash in a safe £250,000 cheques and other certificates, bonds, stamps as detailed in ECC Insurance £5,000 monetary not in a locked safe e.g. in transit £1000 at an authorised employee's or Trustee's home	As per RPA Insurance
Inventory Register	Furniture, ICT items (including mobile phones), single items over £250, portable and attractive items over £25	
Asset Register	Capitalisation limit £ 1,000 on any single item	As stated in Capitalisation/Depreciation Policy

The finance policies listed below should be read in conjunction with these regulations;

- Gifts and Hospitality Policy
- Charge Card Policy
- Competitive Tendering & Procurement Policy
- Fraud and Irregularity Policy
- Travel & Expenses Policy
- Reserves Policy
- Investment Policy
- Charges and Remissions Policy

Additional user guides & forms

- BE Business Case
- BE Ordering process and Contract/ order forms
- Charge card & payment run Checklist
- Finance Monthly Compliance and Period Close Checklist

For any further information on additional documents that this policy may refer to, please contact the BE Central Service Team on 01793 286620.

Appendix 2

FREQUENCY OF REPORTING

Governors

	Information	Frequency	Deadline
1	Budget allocations from the DFE	Annual	
2	Additional funds from DFE throughout the year	Annual	
3	Devolved Capital formula allocations	Annual	
4	Other allocations and grant claims	Annual	
5	Budget Plan for approval	Annual	prior to DFE Deadline
6	Land and Buildings Collection Tool (LBCT)	Annual	November 2025
7	Audited Financial Statements, Auditor's Management Letter, Internal Scrutiny Annual Summary Report and Accounts Submission (2023/2024)	Annual	31 December 2025
8	Audited Accounts Return (2024/2025)		January 2026
9	Forward Budget projections (3+ years) (BFR)	Annual	at annual budget approval meeting
10	Management Accounts: Income & Expenditure, Variation to Budget, Cash Flow and Balance Sheet	Monthly	as soon as practicable following month end
11	Staff Contract Budget Variance Report	Monthly	as soon as practicable following month end
12	School Resource Management Self-Assessment Tool (SRMSAT)	At least annually	March 2026

13	Capital spend (included in budget monitoring statement)	Monthly	as soon as practicable following month end
14	Financial Benchmarking	As appropriate	at relevant meeting
15	Budget Forecast Report Outturn (BFRO)	Annual	August 2026

Information Frequency Deadline

1 Publish Audited Accounts on School Website Annual 31st January 2026

2 Audited Statements to Companies House (by auditor) Annual 31st May 2026