



POLICY	FINANCE POLICY AND PROCEDURES
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## **Finance Policy and Procedures**

September 2025

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## 1. Introduction

- 1.1 The purpose of this policy is to ensure that Unity Education Trust (UET) maintains and develops 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 UET's funding agreement and the Department for Education (DfE) Academy Trust Handbook.
- 1.2 UET must comply with the principles of financial control outlined in the DfE Academy Trust Handbook. This policy expands on that and provides detailed information on UET's accounting systems and procedures and should be read by all staff involved with finance.
- 1.3 Other related policies and statements are listed on page 2.
- 1.4 This policy relates to all schools and academies within UET. Adherence to the principles and procedures contained in this policy is mandatory for all staff.
- 1.5 This policy is designed to be consistent with:
- DfE Academy Trust Handbook
  - UET Articles of Association / Constitution
  - Master and Supplemental Funding Agreements
  - HM Treasury's "Regularity, Propriety and Value for Money".
- 1.6 This Policy also contains the following appendices:
- Appendix A Financial Authorisation Limits

## 2. Organisation

2.1. UET has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for Trustees and staff. The financial reporting structure is illustrated below:

### The Board of Trustees, Finance and Audit Committee

2.2. The Board of Trustees and the Finance and Audit Committee have overall responsibility for the administration of its academies' finances and the effectiveness of internal controls. The main responsibilities of the Board are prescribed in UET's Articles of Association, its Scheme of Delegation and in the Funding Agreement between UET and each of its academies with the Department for Education (DfE).

These responsibilities in relation to financial matters include:

### UET Board of Trustees

2.3. The Board is responsible for ensuring that high standards of corporate governance are maintained, addressing such matters as:

- ensuring that the Trust's vision and values underpin the way in which the Trust and its schools work;
- ensuring that financial plans are prepared and monitored, satisfying itself that the Trust remains a going concern and financially sustainable;
- approving the Trust's annual budget and keeping it under regular review by receiving reports from the Trust's Finance and Audit Committee who receive monthly management accounts,

which should normally be issued on the 15<sup>th</sup> working day of the following month, and are discussed at each meeting; approving and reviewing each the Trust and each School's annual budgets, keeping these under review and approving any significant changes;

- agreeing a scheme of financial delegation (Finance Policy) to Trust academies and reviewing this annually;
- receiving an annual report from the Trust's auditors and taking appropriate actions;
- assessing and managing risk, (including the preparation of a statement on risk management, for its annual report and accounts);
- challenging and supporting the CEO, Trust officers and academy leaders to achieve best value in terms of impact, outcomes, quality and cost (academy leaders = Headteachers, Executive Headteachers, Heads of School: the term "Headteacher" will be used throughout this policy)
- ensuring all Trustees and Local Governors undertake a relevant and thorough induction programme.

#### The Finance and Audit Committee

2.4 The Committee is responsible for the detailed consideration of the best means of fulfilling UET's responsibility to ensure sound management of UET and Academy finances and resources, including proper planning, monitoring, and probity.

2.5 The committee's responsibilities are to:

- Identify the key performance indicators which it will use to monitor the areas of provision for which it is responsible.
- Ensure regularity, propriety, and value for money, ensuring the Trustees take ownership of financial sustainability and ability to operate as a going concern.
- Develop a financial strategy for the Trust and consider policies, procedures or plans required to realise such strategy through the implementation of an annual work plan driven by the Development Plans of the Trust and individual schools, and priorities set by the DfE.
- Measure key performance indicators regularly and monitor outcomes.
- Consider the Trust's indicative funding, once notified by the DfE, and assess its implications for the Trust, in consultation with the CEO and Chief Financial and Operating Officer (CFOO), in advance of the financial year, drawing any matters of significance or concern to the attention of the Trustees.
- Consider and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the Trust and School Development Plans, and recommendations from the Standards Committee.
- Consider and recommend acceptance/non-acceptance of the Trust's budget to the Board.
- Monitor and review monthly management accounts from the CFOO, ensuring compliance with the overall financial plan for the Trust and drawing any matters of concern to the attention of the Trust Board.
- Monitor any variances from the budget and ensure that the DfE is notified as required via the DfE contact form.
- Liaise with and receive reports from the Standards Committee and then to make recommendations about the financial aspects of matters being considered by them.
- Monitor, review and, where appropriate, approve arrangements for ensuring the effective implementation and operation of personnel/HR and financial procedures on a regular basis, including the implementation of bank account arrangements and, where appropriate

make recommendations for improvement, this monitoring to take place through CEO reports, internal audit reports and monitoring visits to the central finance office by the Chair of the Finance and Audit Committee.

- Prepare the financial statement to form part of the Annual Report.
- Ensure the Trust's commercial and fundraising activities are carried out effectively through regular monitoring of the management accounts and review of the self-generated income and expenditure across the Trust.
- Examine and review new initiatives for financial development, including fundraising proposed by the CEO.
- Approve the submission of bids for capital funding or proposed capital projects including bids relating to mergers with other multi-academy trusts and new schools joining UET.
- Oversee significant investment and capital financing decisions.
- Oversee the strategic management of the Trust/school estate and oversee arrangements for monitoring Trust/school premises to ensure that they are fit for purpose and provide an environment in which pupils and staff feel safe, by means of reviews of data presented to the Committee and/or reports of Health and Safety walks conducted by Trustees, Academy Stakeholder governors.
- Approve and keep under review the Trust's reserves and investment policy.
- Keep under review the Trust's Risk policy, and with regard to cyber-crime, to put in place proportionate controls and take appropriate action where a cyber incident has occurred. Obtain permission from the DfE to pay any cyber ransom demand, understanding that payment of ransom has no guarantee of restoring access or services and is likely to result in repeated incidents.
- To scrutinise, review and approve Trust policies under delegated authority from the Trust Board.
- To keep the Service Level Agreement with schools under review, to ensure that Headteachers/Heads of Schools are consulted in advance of any significant changes to the Agreement and to take account of any comments received prior to recommending approval of the Agreement to the Trust Board.
- To promptly notify the Trust Board of all financial matters of which the Committee has knowledge, and which may materially affect the current or future position of the Trust, including the ability of the Trust to continue to operate as a going concern.
- Advise generally on the provision of resources and services to the Trust.
- As the Trust's Audit Committee:
  - To produce an annual report of the committee's conclusions and findings to advise the Board and Members, including recommendations on the appointment or dismissal or re-tendering of the external auditor, and their remuneration having regard to the requirements of the Academy Trust Handbook (2025 Edition paras 4.5 – 4.8).
  - To approve the terms of engagement and remuneration for the external auditors and review the external auditor's plan each year to review the annual report and accounts.
  - To receive the auditor's reports, SRMA and the actions taken by the Trust's managers in response to those findings, and to recommend to the Trust Board action in response to audit findings.
  - To ensure the provision of effective internal scrutiny within the Trust and each of its schools in accordance with the Academy Trust Handbook (2024 Edition paras 3.1 -3.20); to receive reports based on these audits; to ensure findings are shared with the appropriate Trustees, Academy

Stakeholder Governors and staff; and to review governance and management responses to findings.

- To ensure internal scrutiny
  - *Is independent and objective – for example it must not be performed by the trust’s own accounting officer, chief financial officers or other members of the senior leadership or finance team.*
  - *Is conducted by someone suitably qualified and experienced and able to draw on technical expertise as required.*
  - *Is covered by a scheme of work, driven and agreed by the Finance and Audit Committee, and informed by risk.*
  - *Is timely, with the programme of work spread appropriately over the year so higher risk areas are reviewed in good time.*
  - *Includes regular updates to the Finance and Audit Committee by the person(s) or organisation(s) carrying out the programme of work, incorporating:*
    - *A report of the work to each Finance and Audit Committee meeting, including recommendations where appropriate to enhance financial and non-financial controls and risk management.*
    - *An annual summary report to the Finance and Audit Committee for each year ended 31 August outlining areas reviewed, key findings, recommendations, and conclusions, to help the Committee consider actions and year on year progress.*
- To focus its audit work on providing assurances to the Trust Board:
  - That all risks are being adequately identified and managed with particular regard to reviewing personnel/HR operational risks and the risks to financial controls at the Trust and its constituent academies, and agreeing a programme of work to address, and provide assurance on, those risks.
  - That information submitted to the DfE that effects funding, including pupil number returns and funding claims completed by the Trust and by its constituent academies, is accurate and in compliance with funding criteria.
  - That any other internal scrutiny functions recommended for audit committees in the Academy Trust Handbooks are addressed.
- To review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness.

### The Chief Executive Officer

2.6 The Chief Executive Officer (CEO) is the Accounting Officer with responsibilities as described in HM Treasury’s “Regularity, Propriety and Value for Money”. The Accounting Officer has personal responsibility for the propriety and regularity of the public finances for which he is answerable. It must be ensured that, in considering proposals relating to the expenditure or income for which they have responsibilities, all relevant financial considerations are taken into account and full regard is had to any issues of propriety or regularity.

2.7 The main responsibilities of the CEO include:

- the development of the annual budget;
- the development of medium and long -term financial planning;
- managing a wide range of services;
- the regular monitoring of actual expenditure and income against budget;
- maintaining and reporting on effective financial control, securing value for money and managing budgets in accordance with those agreed by the MAT's Board of Trustees.
- maximising the Trust's resources by seeking additional funds from external sources.
- managing and regularly reviewing the use of available resources, including human resources, so as to improve students' learning and achievement
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 1985 and the DfE guidance issued to academies;
- ensuring that the regular reports provided to the Board are timely and accurate;
- authorising orders and the award of contracts within the approval limits shown in Appendix A;
- authorising payments within the approval limits shown in Appendix A
- authorising changes to the UET personnel establishment.

#### The UET Headteachers/Heads of Academies

2.8 Within the framework of the UET's Scheme of Delegation and any specific financial controls determined by the Trustees (see 4.16 below), the Headteacher of each Academy has overall executive responsibility for the academy's activities including:

- approving new staff appointments within the authorised budget/personnel establishment, except for any senior staff posts which the Board of Trustees have agreed should be approved by them, the CEO or by an Academic Review Committee;
- authorising orders and the award of contracts within the approval limits shown in Appendix A;
- authorising payments within the approval limits shown in Appendix A;
- ensuring the delivery of the academy annual budget as approved by UET;
- monitoring regular budget reports with the Chief Finance Officer/Finance Manager and acting on overspends or risk.

#### The Chief Finance Officer

2.9. The Trust employs a Chief Financial and Operating Officer to whom responsibility for the Trust's detailed financial procedure is delegated. The CFOO prepares financial reports for the Board and the Finance and Audit Committee, including monthly management accounts which should normally be issued by the 15<sup>th</sup> working day following the month to which they relate.

#### Central Finance Team

2.10 The central finance team undertakes the processing of all financial transactions and monthly monitoring reports for the academies. They are supported by staff in schools whose responsibilities are:

- To place purchase orders with suppliers on behalf of the school
- To bank all monies received by the school
- To maintain receipts and accurate logs of credit card expenditure
- To advise the central finance team of any sales invoices that are to be raised
- Maintaining the school inventory

### Internal Audit

2.11. The Board, on the recommendation of the Finance and Audit Committee, will agree an annual internal audit/internal scrutiny programme for delivery by independent advisers or auditors other than the external auditor.

The internal scrutiny programme will provide independent assurance to the Board that its financial and non-financial controls are operating effectively and will therefore focus on:

- evaluating the suitability of, as compliance with, financial and non-financial controls;
- offering advice and insight to the Board;
- ensuring all categories of risk are being adequately identified, reported and managed and assuring the Board that:
- the financial responsibilities of the Board are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained and
- financial considerations are fully taken into account in reaching decisions.

2.12. A report of the findings from each visit will be provided to the Trust Board for review.

### Other Staff

2.13 Other members of staff will have some financial responsibilities and these are detailed in the following sections of this policy.

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

### Register of Interests

2.15 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 UET Members, Trustees, local governors and senior staff are required to declare any financial interests they have in companies or individuals from which the UET may purchase goods or services. The register is open to public inspection.

2.16 The register should include governance roles in other education institutions all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the UET. 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 trustee or a member of staff by that person.

2.17 The existence of a register of business interests does not detract from the duties of members, trustees, governors and staff to declare interests whenever they are relevant to matters being discussed by the Board or a committee. Where an interest has been declared, that persons should withdraw from decision making in accordance with the provisions set out in UET's Conflicts of Interest policy.

## **3 Accounting system**

3.1 UET uses Iplacit within all its academies. All financial transactions of UET must be recorded on this system.



### System Access

3.2 Entry to the Implicit accounting system is password restricted, and the CFOO is responsible for implementing a system which ensures that passwords are changed in line with the data protection policy.

3.3 Access to the component parts of the system can also be restricted and the CFOO in liaison with the CEO is responsible for setting access levels for all members of staff using the system.

### Back-up Procedures

3.4 The Implicit Accounting system is web based, and back-ups are managed by the software provider.

### Transaction Processing

3.5. All transactions input to the accounting system must be authorised in accordance with the procedures specified in this policy. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are included in the following sections of the policy.

### Transaction Reports

3.6. All transactions input to the accounting system must be authorised in accordance with the procedures specified in this policy. The detailed procedures for the operation of the payroll, the purchase ledger and the sales ledger are identified in the associated operational system procedures.

### Reconciliations of Balance Sheet Accounts

3.7 The central finance team are responsible for ensuring the following reconciliations are performed routinely, and that any reconciling or balancing amounts are cleared:

- sales ledger control account monthly
- purchase ledger control account monthly
- payroll control account monthly
- all suspense accounts (none) monthly
- bank balance per the nominal ledger monthly within 9 working days to the bank statement.

## **4. Financial Planning**

4.1 UET's Strategic Overview sets out the Trust's visions and core objectives. It represents the "big picture" within which more detailed plans are developed.

4.2 UET and each academy prepare, medium and short-term financial plans.

4.3 The medium-term financial plan covers a period of three years in the form of Trust and academy budgets agreed for the first year and forecast for the following two years based realistic projections of student numbers, grant funding, expenditure and other relevant factors. All years of the three-year plan are to include detailed budget information line by line.

4.4 The first-year plan and budget is prepared in the second half of the preceding year. The process includes integrated curriculum and financial planning, pupil: staff ratios, benchmarking, reflections on past aims and objectives (e.g. "did we achieve those, are they still relevant") as well as consideration

of objectives in the Trust's Development Plan and the School Improvement and Development Plans. It also takes account of guidance to academies from the DfE and other agencies as well as the status of commissioned services from local education authorities and others.

4.5 Lead responsibility for each objective in the Trust Development Plan and School Improvement and Development Plans will be assigned to a named person or group who should monitor performance against the defined success criteria throughout the year and report back.

4.6 Although the process described above will focus primarily on the first year of the plan it will also take account of actions which are expected to continue beyond year one as well as new objectives for the following two years. These continuing and new outline objectives should be noted at the end of the current Trust Development Plan and School Improvement and Development Plans ready to be brought forward for final decisions and incorporation into the next appropriate first year plan and budget. Estimated resource costs, both capital and revenue, associated with each objective should be included along with success criteria against which each can be measured.

4.7 A timetable for the planning cycle described above is determined by the CEO who will assign lead responsibility for the completion of each stage fitting within the Finance and Audit Committee's work plan.

#### Annual Budget

4.2 The CEO and CFOO are responsible for preparing and obtaining approval for the annual budget. The budget must be approved by the CEO, Finance and Audit Committee and finally the Board of Trustees.

4.3 The budget forecast return must be submitted to the DfE by the specified date each year and the CFOO is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met.

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

4.5 The budgetary planning process will incorporate the following elements:

- forecasts of the likely number of pupils to estimate the amount of DfE grant receivable;
- review of other income sources available to the academy to assess likely level of receipts;
- review of past performance against budgets to promote an understanding of the academy cost base;
- identification of potential efficiency savings and
- review of the main expenditure headings in light of the development plan objectives and the expected variations in cost e.g. pay increases, inflation and other anticipated changes.

#### Balancing the Budget

4.15. 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 cuts can be made. This may entail prioritising tasks and deferring projects until more funding is available. Plans and budgets will need to be revised until income and expenditure are in balance for the Trust as a whole and for each individual academy unless, in respect of the latter, the Board approves a deficit budget. If a potential

surplus is identified, this may be held back as a contingency or alternatively allocated to areas of need.

#### Finalising the Budget

4.16 Once the different options and scenarios have been considered, a draft budget should be prepared by the CFOO for approval by the CEO, the Finance and Audit Committee and the Board of Trustees. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints, including any specific financial controls agreed by the Trustees such as those detailed in the Reserves and Investment policy.

4.17 The budget should be seen as a working document which may need revising throughout the year as circumstances change.

#### Monitoring, Reporting and Review

4.18 Monthly Management Accounts (including an income and expenditure account, variation to budget report, cash flows and balance sheet) will be prepared by the central finance team for the:

- Headteachers
- CEO
- Chair of Trustees and Chair of Finance and Audit Committee

Copies of the reports will be made available to the Trust Board for review at each of its meetings.

4.19 The monitoring process should be effective and timely in highlighting variances in the budget so that differences can be investigated and action taken where appropriate. If a budget overspend is forecast it may be appropriate to vire money from another budget or from the contingency. All budget virements must be authorised as shown in Appendix A. The Board may impose additional controls at the start of the year or at any point during the year.

### **5. Payroll**

5.1. The main elements of the payroll system are:

- staff appointments;
- organisational changes
- payroll administration and
- payments.

#### Staff Appointments

5.2 As part of the annual budget process, the Board will approve a staffing structure (establishment) for UET and academies. Substantial changes (e.g. the addition of permanent full-time posts) can only be made to this establishment with the express approval in the first instance of the CEO who must ensure that adequate budgetary provision exists for any establishment changes.

5.3 Where changes are in line with agreed budgets and in line with the approved Academy Improvement and Development Plan, Headteachers have authority to change the FTE size or scope of posts within their Academy.

5.4 The CEO and Headteachers have authority to appoint staff within the authorised establishment. Headteachers will be appointed by the Trustees: Selection Committees to include CEO, Trustees and ARC representatives. The Trustees and CEO will approve all appointments to the leadership team of UET.

### Payroll Administration and Payments

5.5 Payroll is currently outsourced and the approval of the Finance and Audit Committee is needed to change any such arrangements.

5.6 UET has a Pay Policy and all changes to pay must be consistent with this. Any variations to this must be raised with the CEO.

5.7 The monthly payroll must be approved by the CEO prior to payments being made.

5.8 Overall responsibility for the operation of the Payroll Provider rests with the CEO and staff with delegated authority from him, who, in partnership with each school, will also ensure that the Payroll Provider is informed of any relevant changes in order to ensure accurate payment of salaries.; i.e. new starters and leavers, change of personal details, change of terms and conditions to employment, tax code changes and any absence or sickness.

5.9 All severance payments must be approved by the CEO (Accounting Officer) and the Trust Board and may also require DfE approval (see delegations Appendix A)

### Payments

5.10 All salary payments to staff are made by BACS by the Payroll Provider.

5.11 The calculation of gross to net pay is delegated to the Payroll Provider; the CFOO will carry monthly checks to ensure that the payroll system is operating correctly.

5.12 After the payroll has been processed the nominal ledger will be updated. Postings will be made to the payroll control account and to individual cost centres and ledger codes in the accounting system. The CFOO should review the payroll control accounts each month to ensure they have been reconciled.

### Expenses

5.13 Claims will be processed in accordance with the staff expenses policy and Trustees/Governors Expenses policy.

## **6. Purchasing**

6.1 UET wants to achieve the best value for money from all our purchases. This means we want to get what is needed in the correct quality, quantity and time at the best price possible. A large proportion of the Trust and all its academies' purchases will be paid for with public funds and the Trust and its academies' need 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 academies;

**Accountability**, the Trust and its academies are publicly accountable for their expenditure and the conduct of their affairs and needs to ensure that spending has been for the purpose intended, that spending decisions represent value for money and that other requirements in the Academy Trust Handbook relating to procurement are followed;

**Fairness**, that all those dealt with by the Trust and its academies are dealt with on a fair and equitable basis.

**Risk**, that the suppliers with whom the Trust deals are reputable, financially stable and have the resources required to fulfil our requirements.

## Routine Purchasing

6.1 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, working with the Finance team, and to ensure that any expenditure is consistent with the objectives of the academy. The trust's funds must not be used to purchase alcohol for consumption.

6.2 Appropriate authorisation limits are reviewed annually and approved by the Board (see Appendix A).

6.3 It is necessary to take the principles of best value into account at all times although this is not necessarily the lowest cost. An explanation will need to be provided when the lowest cost quotation or tender is not accepted.

6.4 Procurement procedures are outlined in a separate policy.

## Forms of Tenders

6.5. Details of forms of tenders and how to run a tender process are included in a separate policy.

## Purchasing Cards

6.6 Procedures for the authorisation of expenditure using purchasing cards are identified in appendices to this policy.

## **7. Income**

7.1 The main sources of income for Unity Education Trust are the grants from the DfE. The receipt of these sums is monitored directly by the CFOO who is responsible for ensuring that all grants due to the UET are collected.

7.2 UET also obtains grants and income from:

- Local authorities for Special Education Needs (SEN) and Looked After Children (LAC) students;
- Local authorities and others for commissioned services
- students, mainly for trips and catering;
- the public, mainly for hiring of school facilities.

## Trips

7.3 Each academy has a specific procedure on Trips. A designated staff member must be appointed for each trip to take responsibility for the collection of sums due.

7.4 The designated staff member will be responsible for estimating the costs, ensuring the cash is collected, producing a reconciliation etc.

7.5 Students should make payments via the on-line Cashless system, by direct bank transfer (or exceptionally by cheque or cash).

### Lettings of School Facilities

7.6 Letting and hire of UET facilities will be conducted in line with the Lettings Policy for each academy.

### Custody

7.7. Monies collected should be held securely in the Academy Finance Office Safe and should be banked and reconciled promptly. Official, academy receipts should be issued for all cash received where no other formal documentation exists.

## **8. Charging & Remissions**

8.1 UET will ensure that educational opportunities provided during school hours are available to all students regardless of ability to pay and that other activities are charged for in a fair and transparent way. No student will be excluded from essential curriculum activities because of their parents' inability to pay.

8.2 The separate Charging and Remission Policy is designed to be consistent with the requirements relating to charging laid out in the Funding Agreement.

8.3 Academies may charge for some optional activities which take place wholly or mainly outside academy hours. UET may invite voluntary contributions for these from parents. Parents who wish to discuss financial matters are able to discuss them in confidence with the Headteacher

## **9. Cash Management**

### Bank Accounts

9.1. The opening of all accounts must be authorised by the CEO who must set out, in a formal memorandum, the arrangements covering the operation of accounts, including any transfers between accounts and cheque signing arrangements. The operation of systems such as Bankers Automatic Clearing System (BACS) and other means of electronic transfer of funds must also be subject to the same level of control.

### Payments and withdrawals

9.2 All cheques and other instruments must bear the signatures of two of the following authorised signatories as listed in Appendix A.

9.3 This provision applies to all accounts, public or private, operated by or on behalf of the Board of Trustees and is detailed in the UET bank mandate. Authorised signatories must not sign a cheque relating to goods or services for which they have also authorised the expenditure.

### Administration

9.4. All bank accounts must be reconciled monthly and checked by the Central Finance Team, within nine working days of month end statement date. The CFOO will periodically review the bank reconciliations.

### Petty Cash Accounts

9.5 The Trust does not hold Petty Cash.

### Cash Flow Forecasts

9.6. The CFOO is responsible for preparing cash flow forecasts to ensure that the academy has sufficient funds available to pay for day to day operations. If significant balances can be foreseen,

steps should be taken to invest the extra funds. Similarly plans should be made to transfer funds from another bank account or to re-profile GAG to cover potential cash shortages and reported to the CEO immediately.

### Reserves

9.7 UET will build and maintain a revenue reserve fund to provide flexibility and certainty in forward planning.

9.8 All revenue reserves are controlled by the Board including those transferred in upon conversion and cannot be spent without the approval of the Board.

9.9 In accordance with DfE and charity accounting standards, the Board will maintain financial records which identify revenue reserves by academy.

9.10 The current policy is shown in the Reserves and Investment Policy.

### Investments

9.11 Investments must be made only in accordance with written procedures approved by the Board of Trustees and/or Finance and Audit Committee. Investments must be reviewed and reported on as set out in the Reserves and Investments policy.

9.12 The current policy is shown in a separate document.

## **10. Fixed assets**

### Asset register

10.1 All items purchased with a value over the academy's capitalisation limit must be entered in an asset register.

10.2 The Asset Register helps:

- ensure that staff take responsibility for the safe custody of assets;
- 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;
- help the external auditors to draw conclusions on the annual accounts and the academy's financial system and
- support insurance claims in the event of fire, theft, vandalism or other disasters.

10.3 The current policy is shown in a separate document.

### Depreciation

10.4 UET will depreciate fixed assets in line with recognised accounting standards, best practice and DfE guidelines. Depreciation on assets is as follows: -

ICT Equipment	33% straight line
Other ICT Equipment (Server/s)	10% straight line
Fixture & Fittings	25% straight line
Longer life Fixture & Fittings	10% straight line

Buildings	2% straight line
Motor vehicles	10% straight line
Leasehold land and buildings	Straight line over the life of the lease

No depreciation is provided on freehold or leasehold land. Depreciation on assets in the course of construction is not charged until they are brought into use.

10.5 The current policy is shown in a separate document.

#### Security of assets

10.6 All the items in the register should be permanently and visibly marked as the academy's property and there should be a regular (at least 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 Finance and Audit Committee. Inventories of academy property should be kept up to date and reviewed regularly. Where items are used by the academy but do not belong to it this should be noted.

#### Disposals

10.7 See Redundant Equipment Policy.

#### Loan of Assets

10.8 Items of academy property (excluding staff laptops, IT equipment, text books and other paper-based documents) must not be removed from academy premises without the authority of the Headteacher. A record of the loan must be recorded in a loan book and booked back in academy when it is returned.

10.9 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 academy's auditors.

#### Leases

10.10 UET is able to enter into operational leases as outlined in the Academy Trust Handbook

10.11 UET is able to enter into finance leases for assets on the DfE approved list as outlined in the Academy Trust Handbook

10.12 All leases must be approved by the CEO and, where appropriate, the Trust Board

Academy Trust Handbook (2025 Edition paras 5.24- 5.27)

### **11. Monitoring Outcomes & Review**

11.1 Outcomes will be monitored and reviewed by regular internal checks and scrutiny by senior management.

11.2 Effectiveness of this policy and any associated procedures will also be monitored by the Finance and Audit Committee, supported by External Audit and regular testing by Internal Audit which must not be undertaken by the external auditors. Audit results will be presented by written reports to the Finance and Audit Committee. Findings & recommendations will be used to revise this policy and associated procedures- this will be undertaken by referring any recommendations for changes to the Board of Trustees.



11.3 Key indicators of the success of this policy are:

- No inappropriate use of money
- Adherence to budgets
- Value for Money being demonstrated
- Expenditure targeted on key priority areas
- Surplus cash funds invested to optimise returns whilst always ensuring security takes precedence over revenue maximisation
- Timely reports to Board, DfE and others
- Up to date, accurate records
- Adherence to the relevant financial, audit and accountability 'musts' in the Academy Trust Handbook.

APPENDIX A

Delegated Duty	Value	Delegated Authority
<b>1. Ordering Goods and Services (raising requisitions)</b>  All ICT related purchases must also be approved by the Academy Head of ICT.  Tendering procedures as per Appendix B	Up to £1,000	Headteacher/Head of School – for Pathfinder and Compass Academies requisitions are approved by the Executive Headteacher not individual Heads of School
	£1,001 - £24,99	As above plus CFOO
	£25,000 - £49,999	As above plus Director of Education
	£50,000 to £249,999	As above plus CEO
	Over £249,999	As above plus Chair of Trustees
<b>2. Signatories for BAC's, cheques and individual payments, as per the bank mandate for the MAT account.</b>  (including BACS payments other than payroll)	The BACs run is approved on the Iplcit system by the two of the following: CFOO, CEO, Director of Education.  The BACs payment is approved on the bank by two of the following: Finance Manager, CFOO, CEO. Further Trustee approval is not required as all purchases are authorised in line with the authorities above prior to being paid.	
<b>3. Payroll BACS</b>	Any	CFOO & CEO, reviewed by Trust Finance Manager
<b>4. Signatories for DfE grant claims and DfE returns for individual academies</b>	Any	Two signatories from:  <ul style="list-style-type: none"> <li>- Chief Executive Officer</li> <li>- Headteacher</li> <li>- CFOO</li> </ul>

5. Signatories for DfE grant claims and DfE returns for MAT	Any	Two signatories from: <ul style="list-style-type: none"> <li>- Chief Executive Officer</li> <li>- CFOO</li> <li>- Board of Trustees</li> <li>- Finance Trustees</li> </ul>
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Delegated Duty	Value	Delegated Authority
<b>6. Virement of budget provision between budget headings.</b>	Up to £10,000	Headteacher and CFOO, reporting to the CEO
	£10,001 - £50,000	As above plus CEO, reporting to the Finance and Audit Committee of Trustees
	Over £50,000	Finance and Audit Committee of Trustees
<b>7. Virement of funding between academies</b>	Any	Board of Trustees, Heads of Academies & CEO
<b>8. Disposal of assets</b>	Up to £1,000	Headteachers & CFOO
	£1,001 - £5,000	Headteacher & CEO
	Over £5,000	As above plus Finance and Audit Committee of Trustees DfE approval required as appropriate for disposal of assets funded with DfE grant, or transferred from an LA at nominal consideration
<b>9. Write-off bad debts</b>	Up to £1,000	CFOO & Headteachers
	Over £1,000	Chief Executive Officer, with referral to the Finance and Audit Committee annually
<b>10. Purchase or sale of any freehold property</b>	Any	Board of Trustees and DfE approval required
<b>11. Granting or take up of any leasehold or tenancy agreement</b>	Any	Board of Trustees DfE approval required for any lease of land or buildings over seven years
<b>12. Raising invoices to collect income</b>	Any	Central Finance Team

Delegated Duty	Claimant	Delegated Authority
13. Expense Claims	Academy Staff	Headteacher
	Headteacher	Chief Executive Officer
	CFOO	Chief Executive Officer
	Chief Executive Officer	Chair of Trustee
	Governor or Trustee	CFOO & Chair of Trustees
17. Purchasing Cards (see policy in Appendix B)	Approved staff in schools (limit £500)	CFOO
	Premises Lead (£1,500 and Trade UK card £2,500)	CFOO
	Headteacher (limit £5,000)	CFOO
	Headteacher (Northgate) £10,000	CFOO
	Chief Executive Officer (limit £15,000)	CFOO & Report to Trustees

BACK UP ARRANGEMENTS IN URGENT CASES	IN THE ABSENCE OF:  Chair of Finance Trustees  Chief Executive Officer  Headteacher	AUTHORITY <u>MAY</u> BE EXERCISED BY:  Chair of Trustees or another member of Finance and Audit Committee  Director of Education  Chief Executive Officer
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DfE Schedule of freedoms and delegations (references in brackets are to 2025 edition of Academy Trust Handbook)

Type of transaction	Delegation
Novel, contentious and repercussive transactions	DfE agreement required <a href="#">5.6</a>
Staff severance and compensation	DfE agreement required if £50,000 or more before tax <a href="#">5.11</a> and <a href="#">5.16</a>
Ex gratia payments	DfE agreement required <a href="#">5.18</a>
Writing-off debts and losses (subject to £250,000 ceiling)	DfE consent required if exceeds 1% of annual income or £45,000 individually; or 2.5% or 5% of annual income cumulatively <a href="#">5.19</a> and <a href="#">5.20</a>
Entering into indemnities (beyond the normal course of business), guarantees or letters of comfort (subject to £250,000 ceiling)	DfE consent required if exceeds 1% of annual income or £45,000 individually; or 2.5% or 5% of annual income cumulatively <a href="#">5.19</a> and <a href="#">5.20</a>
Acquiring freehold land and buildings	DfE agreement required <a href="#">5.22</a>
Disposing of a freehold on land and buildings	DfE agreement required <a href="#">5.22</a>
Disposing of heritage assets	DfE agreement required <a href="#">5.22</a>
Other asset disposals	Trust has full discretion <a href="#">5.24</a>

Type of transaction	Delegation
Taking up a finance lease not on the <a href="#">DfE approved list</a>	DfE agreement required <a href="#">5.25</a>
Taking up a leasehold on land and buildings	DfE agreement if lease term 7 years or more <a href="#">5.25</a>
Taking up any other lease	Trust has full discretion <a href="#">5.24</a>
Granting a lease on land and buildings	DfE agreement required <a href="#">5.25</a>
GAG carry forward	No limits if trust eligible <a href="#">5.29</a>
Pooling by trusts with multiple academies	No limits (except <a href="#">PFI</a> ) if trust eligible <a href="#">5.30</a>
Loan, overdraft	DfE agreement required <a href="#">5.32</a>
Credit cards (for business use)	Trust has full discretion provided charges not incurred <a href="#">5.32</a>
Supplies to the trust from related parties	DfE agreement required over £40,000 and over associated limits in <a href="#">5.41</a> unless exempt as set out in <a href="#">5.41</a>





