Financial Management Policy 2026

Date of last review: September 2026

Reviewed by: Trust Chief Financial and Operating Officer

Agreed by Trustees: September 2026

Date of Next Review: September 2027

The Futures Trust is committed to ensuring that all colleagues are able to access and understand this policy. Appropriate support and guidance will be provided where required. Colleagues may raise questions in relation to this policy, please email enquiries@thefuturestrust.org.uk

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1. Introduction

1.1 The purpose of this policy and associated procedures is to ensure that The Futures Trust (TFT) maintains and develops systems of financial control which conform to the requirements both of propriety, value for money and of good financial management. It is imperative that these systems are complied with in order to meet the requirements of the Trust's Funding Agreement with the Department for Education (DfE).

1.2 The Trust, and each academy within the Trust, must comply with the principles of financial control detailed in Academy Trust Handbook published by the DfE. This policy provides detailed information on the Trust's accounting procedures, which should be read by all staff involved with financial systems, management and reporting.

1.3 The policy covers all finance related policies.

1.4 This policy relates to all of the Trust's Academies. 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:

i. DfE Academy Trust Handbook
ii. The Trust Memorandum and Articles of Association/Constitution/Scheme of Delegation
iii. HM Treasury's Regularity, Propriety and Value for Money
iv. Master and Supplemental Funding Agreements

2. Interaction with other Trust policies

2.1 This policy should be read alongside the following Trust policies, which are maintained and approved separately:

- TFT Procurement Policy
- TFT Corporate Card Policy
- TFT Petty Cash Policy
- TFT Reserves Policy
- TFT Staff Expenses Policy
- TFT Trustee and Governor Expenses Policy

3. Organisation

3.1 The Trust has defined the responsibilities of each person involved in the administration of the Trust finances to avoid the duplication or omission of

functions and to provide delegation of duties and a framework of accountability for Trustees and staff. The financial reporting structure is outlined below in line with the Scheme of Delegation.

3.2 The Board of Trustees and Sub-Committees of the Trust 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 the Trust Articles of Association, its Constitution and in the Funding Agreement between the Trust and each of its Academies with DfE. These responsibilities in relation to financial matters include:

3.3 **Board of Trustees**

Trustees are responsible for ensuring that high standards of corporate governance are maintained, addressing such matters as:

i. finance policy development and strategic planning;
ii. approval of the Trust consolidated budgets
iii. ensuring sound management and administration of the Trust and its academies and ensuring that managers are equipped with relevant skills and guidance;
iv. ensuring compliance with general legislative requirements;
v. establishing and maintaining a transparent system of prudent and effective internal controls;
vi. management of the Trust's financial, human and other resources, with the Chair receiving Monthly Management Accounts as stipulated in the Academy Trust Handbook;
vii. monitoring performance and the achievement of objectives and ensuring that plans for improvement are acted upon;
viii. setting the Trust's standards of conduct and values;
ix. assessing and managing risk, including the preparation of a statement on academies risk management, for its annual report and accounts;
x. to hold to account each Trustee.

3.4 The Board is responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust and Academy finances and resources, including proper planning, monitoring and probity, most particularly by:

- assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds;
- promoting a climate of financial discipline and control the opportunity for financial mismanagement.

3.5 **Finance and Resources Committee (FRC) and the Audit and Risk Committee (ARC)**

The FRC are responsible for scrutinising the Trust and Academy budgets and finance and the ARC are responsible for scrutinising internal controls systems and risk management arrangements, most particularly by:

i. assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds
ii. improving the quality of financial reporting by reviewing internal and external financial statements on behalf of the Board;
iii. promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement; and
iv. promoting the development of internal controls and risk management systems which will help satisfy the Board that the Trust and its Academies will achieve their objectives and targets and are operating in accordance with any statutory requirements for the use of public funds;
v. applying delegated authorities laid down by Board of Trustees;
vi. ensuring a system which will make most economic and effective use of resources available

3.6 **Chief Executive Officer**

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 / she 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.

3.7 The CEO's main responsibilities include:

i. the development of the annual budget;
ii. the development of medium term financial planning
iii. the regular monitoring of actual expenditure and income against budget;
iv. ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
v. ensuring that the regular reports provided to the Board are timely and accurate;
vi. authorising orders and the award of contracts within the approval limits shown in Appendix 1;
vii. authorising payments within the approval limits shown in Appendix 1
viii. authorising changes to the Trust's personnel establishment within the authorised establishment.

3.8 **Headteachers**

Within the framework of the Trust's Development Plan, each academy

Headteacher has overall executive responsibility for his/her academy's activities including financial activities. Much of the financial responsibility has been delegated to the Chief Financial and Operating Officer and the Business Managers but the Headteacher still retains responsibility for:

i. approving new staff appointments within the authorised establishment, except for any senior staff posts which the Board of Trustees have agreed should be approved by them;
ii. authorising orders within the approval limits shown in Appendix 1;
iii. authorising invoices within the approval limits shown in Appendix 1;
iv. ensuring the delivery of the academy annual budget as approved by the Trust;
v. monitoring the regular budget reports with the Business Manager and acting on overspends or risk.

3.9 **The Chief Financial and Operating Officer**

The Chief Financial and Operating Officer works in close collaboration with the CEO through whom he or she is responsible to the Trust Board. The Chief Financial and Operating Officer has direct access to the Board. The main responsibilities of the Chief Financial and Operating Office are:

i. the management of the Trust's financial position at a strategic and operational level within the Finance Policy and procedures determined by the Board;
ii. the maintenance of effective systems of internal control;
iii. ensuring that the annual accounts are properly presented for external audit and adequately supported by the underlying books and records of each academy;
iv. the consolidation of budgets and medium-term financial plans, presenting them to the FRC for approval;
v. ensuring returns to DfE and other funding agencies completed correctly and on time;
vi. ensuring returns to statutory bodies are completed
vii. cashflow and treasury management including managing investments
viii. functional management of the financial element of Academy Business Managers ix. authorising orders and the award of contracts within the approval limits shown in Appendix 1;
x. authorising payments within the approval limits shown in Appendix 1.
xi. provide reports at each FRC Meeting on various financial matters, as appropriate, including latest Management Accounts, Cashflow projections and uses of delegated authority, as applicable.

3.10 **The Business/Finance Manager**

It is envisaged that each academy will have a Business/Finance Manager or a person who undertakes that role albeit with a different job title e.g. in a smaller

school, Business Manager. The Business Managers work in close collaboration with the Chief Financial and Operating Officer and their respective Headteacher. The main financial responsibilities of a Business Manager are:

i. the day to day management of financial issues;
ii. authorising invoices within the approval limits shown in Appendix 1;
iii. the preparation of the academy annual budget and medium-term financial plans for approval by the Trust;
iv. ensuring that financial controls are working effectively at academy level
v. actively monitoring expenditure versus budget;
vi. monthly reporting of Management Accounts to the Finance Director together with explanations of variances;
vii. identification and management of financial risks and escalating these to the Chief Financial and Operations Manager

Internal Audit

3.11 The Internal Auditors are appointed by the Trustees (through the ARC) and provide Trustees with an independent oversight of the financial control. The main duties of the Internal Auditors are to provide the Trustees with independent assurance that:

i. the financial responsibilities of the Trustees are being properly discharged;
ii. resources are being managed in an efficient, economical and effective manner;
iii. sound systems of internal financial control are being maintained and
iv. financial considerations are fully taken into account in reaching decisions.
v. risks are identified and appropriate actions put in place

3.12 The Trustees will appoint internal auditors to undertake a regular programme of reviews to ensure that financial transactions have been properly processed and that controls are operating effectively. A report of the findings from each visit will be provided to the ARC for review.

Other Staff

3.13 Other members of staff, primarily Finance Officers, Administration Assistants and budget holders, will have some financial responsibilities and these are detailed in the following sections of this policy.

All members of 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.

4. Conflict of Interest

4.1 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 Trust directors and senior staff are required

to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. The register is open to public inspection with its need to be published on the relevant website.

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

4.3 The existence of a register of business interests does not detract from the duty of directors and staff to declare interests whenever they are relevant to particular matters being discussed by the board or a committee. Where an interest has been declared, directors and staff should not attend that part of any committee or other meeting.

4.4 The Board of Trustees must ensure that the requirements for managing connected party transactions are applied across the Trust. The Chair of the Board of Trustees and the Accounting Officer must ensure that their capacity to control and influence does not conflict with these requirements. They must manage personal relationships and **Related Parties** to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the **seven principles of public life**.

4.5 **The Seven Principles of Public Life** are:

1) **Selflessness**: Holders of public office should act solely in terms of the public interest.
2) **Integrity**: Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
3) **Objectivity**: Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
4) **Accountability**: Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the security necessary to ensure this.
5) **Openness**: Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
6) **Honesty**: Holders of public office should be truthful.

7) **Leadership**: Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

5. Trading with Related Parties

5.1 Trusts must obtain DFE's prior approval, using DFE's related party on-line form, for contracts and other agreements for the supply of goods or services to the Trust by a related party agreed on or after 1 September 2023 where a contract or other agreement exceeds £40,000 in the same financial year ending 31 August.

The £40,000 approval threshold applies to single transactions with the same supplier, the transaction value is not aggregated by supplier.

For the purposes of reporting to and approval by DFE, contracts and agreements with related parties do not include salaries and other payments made by the Trust to a person under a contract of employment through the Trust's payroll.

6. Accounting System

6.1 The Trust uses the financial software Xero for all of its academies. All financial transactions of the Trust must be recorded on this system.

System Access

6.2 The Chief Financial and Operating Officer is responsible for user access. Entry to the Xero accounting system is password restricted with multi factor authentication enabled for all users.

6.3 Access to the component parts of the system can also be restricted and the Chief Financial and Operating Officer is responsible for setting access levels for all members of staff using the system.

Backup Procedures

6.4 Xero is a cloud-based software system. The supplier performs backup operations at regular intervals during the day and overnight. Therefore, local backups at the Trust level is not necessary.

Transaction Processing

6.5 All transactions input to the accounting system must be authorised in accordance with the procedures specified in this policy.

6.6 Purchase orders should be raised on the accounting system for all purchases with the exceptions of:

- Utilities

- Exam Fees
- Supply Costs
- Staff and volunteer expenses
- Bursary Claims

6.7 The Trust's purchase invoice approval process also acts as confirmation of goods/services being received and therefore replaces a delivery note where one has not been received.

6.8 The Chief Financial and Operating Officer is responsible for ensuring the following reconciliations are performed monthly at each Academy within the Trust, and that any reconciling or balancing amounts are cleared:

i. sales ledger control account
ii. purchase ledger control account
iii. payroll control account
iv. any suspense accounts
v. accruals and prepayments
vi. bank balance per the nominal ledger monthly to the bank statement.

7. Financial Planning

7.1 The Trust and each academy will prepare both short term and medium-term financial plans. Medium term is defined as a period of three to five years.

7.2 The medium-term financial plan is prepared as part of the Trust and Academy Development planning process. The Development Plan indicates how the Trust's and each academy's educational and other objectives / priorities need to be achieved within the expected level of resources over the next three years. The assumptions will be set by the CEO/Trustees.

7.3 The Development Plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to each academy and the planned use of those resources for the following year.

7.4 The Development Plan is concerned with the future aims and objectives of the Trust and each academy and how they are to be achieved; the Trust will set overall Core Objectives which will be turned into specific objectives for each Academy. The Development Plans will ensure that the Trust's objectives and targets are matched to the resources expected to be available. Plans should ideally be simple and flexible.

7.5 The form and content of the Development Plan will be set by the CEO and due regard should be given to any annual guidance issued by the DfE in the Academy Trust Handbook.

Annual Budget

7.6 The Chief Financial and Operating Officer is responsible for working with the Headteachers, the Business Managers and others to prepare a draft consolidated annual budget for consideration by the CEO. Business Managers are required to provide draft budgets and supporting rationale for their individual schools in accordance with a timetable notified by the Chief Financial and Operations Manager. The CEO is responsible for obtaining approval of the budget by the Board of Trustees.

7.7 The approved budget must be submitted to the DfE by the specified date (normally 31 August), and the Chief Financial and Operating Officer is responsible for establishing a timetable which allows sufficient time for the approval process and ensures that the submission date is met. A Financial Calendar will be prepared which details all of the submission dates required by the DfE.

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

Balancing the Budget

7.9 Each Academy should set a balanced budget, taking into account short- and medium-term projections and the need to invest to meet the longer-term business plan. Any proposed use of reserves requires approval of the Accounting Officer.

Finalising the Budget

7.10 After the different options and scenarios have been considered, a draft budget should be prepared by the Chief Financial and Operating Officer for approval by the CEO, FRC and the Board. The budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary constraints.

Monitoring and Review

7.11 Monthly reports will be prepared by the Business Managers, supported by the Chief Financial and Operations Manager. The reports will detail actual income and expenditure against budget for budget holders and at a summary level for the CEO, Headteachers and Chief Financial and Operations Manager.

7.12 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. Monthly management accounts will always include a latest financial forecast for the year.

7.13 If a budget overspend is forecast it will not be appropriate to transfer money from another budget or from the contingency.

8. Payroll

8.1 The main elements of the payroll system are staff appointments, together with payroll administration and payments.

Staff Appointments

8.2 As part of the annual budget process, the Trust Board will approve a staff establishment for the Trust and each academy. 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.

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

8.4 The CEO and Headteachers have authority to appoint staff within the authorised establishment except for the roles of the senior leadership group, when other Trust directors will generally be involved. The CEO will approve all appointments to the senior leadership group of the Trust.

Payroll Administration and Payments

8.5 Payroll is currently outsourced to a single provider for the entire Trust and the approval of the FRC is needed to change any such arrangements.

8.6 The Trust has a Pay Policy and all appointments and changes to salary must be consistent with this. Any variations to this must be approved by the CEO.

8.7 Approval of the CEO's remuneration will be by the Trustees.

8.8 Approved adjustments to the monthly payroll or standing data must be administered by the Business Manager and reviewed subsequently by the Headteachers and Associate Director of Finance, prior to payroll processing.

8.9 All severance payments must be approved by the CEO and the CEO will seek prior approval from the DFE as required by the Academy Trust Handbook.

9. Procurement – Detailed Appendix 1

9.1 The Trust wants to achieve the best value for money from all of its purchases. This means getting goods at the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and

there is a need to maintain the integrity of these funds by following the general principles of:

i. Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Trust;

ii. Accountability, the Trust is publicly accountable for its expenditure and the conduct of its affairs;

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

9.2 It is particularly important in the case of the Trust that any tenders where a Trust director may have a conflict of interest are managed with utmost probity.

Routine Purchasing

9.3 Budget holders will be informed of the budget available to them before the start of the academic year. It is the responsibility of the budget holder to manage the budget, working with the Business Manager, and to ensure that any expenditure is consistent with the objectives of the academy.

9.4 Appropriate authorisation limits are reviewed annually and approved by the Trust's Board (see Appendix 1).

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

9.6 Procurement routes are outlined in Appendix 1.

Forms of Tenders

9.7 Details of forms of tenders and how to run a tender process are included in Appendix 1.

Credit Cards and Purchasing

9.8 This is detailed in Appendix 2.

10. Income

10.1 The main sources of income for the Trust are the annual funding grants received from the DFE. The receipt of these sums is monitored directly by the Chief Financial and Operating Officer who is responsible for ensuring that all grants due to the Trust are collected.

10.2 Grant funding is received from sources such as the local city and county councils for a variety of purposes including SEN funding.

10.3 The Trust also obtains income from:

- students, for example trips, activities, uniforms, school dinners; and
- the public, mainly for lettings.

Trips

10.4 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. The appointment must be approved by the Headteacher.

10.5 The designated staff member will be responsible for estimating the costs, ensuring that payments are collected, producing a reconciliation etc.

Lettings

10.6 Letting and hire of the Trust facilities will be conducted in line with the Debtors and Lettings Policy for each academy which includes a tariff of charges, which will be reviewed annually.

Pricing

10.7 The Trust will set a tariff of charges for its chargeable services at full cost, but may apply an additional rate of return when in a commercial environment.

Custody

10.8 Receipts should be provided (and copies retained) by the member of staff receiving money from students, parents and third parties, then signed at the point that those monies are handed over to the Business Manager or designated person. Monies collected should be held securely in the Academy Finance Office Safe and should be banked and reconciled promptly, whilst notifying the Trust Central Team

11. Cash Management

Bank Accounts

11.1 The opening of all accounts must be agreed and authorised by the CEO and Chief Financial and Operating Officer who will set out, the arrangements covering the operation of accounts, including any transfers between accounts, BACS authorisation and cheque signing arrangements. Opening of new accounts and changes to existing mandates may require approval by FRC or Trustees if the banks require necessary relevant information. The operation of systems such as BACS
and other means of electronic transfer of funds must also be subject to the same level of control.

Payments and Withdrawals

11.2 All cheques and other instruments authorising withdrawal from the Trust bank accounts must bear the authorisation and signatures of authorised signatories as detailed in the Trust bank mandates.

11.3 Wherever possible, ‘cashless’ payment systems should be used.

11.4 This provision applies to all accounts, public or private, operated by or on behalf of the Board of Directors of the Trust.

Administration

11.5 All bank accounts must be reconciled monthly and checked by the Trust accountant where applicable, within ten working days of month end. The Chief Financial and Operating Officer will regularly review the bank reconciliations.

Petty Cash Accounts

11.6 This is detailed in Appendix 3 TFT Petty Cash Policy.

Cash Flow Forecasts

11.7 The Associate Director of Finance is responsible for preparing monthly cash flow forecasts for up to twelve months ahead 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.

12. Fixed Assets

12.1 All fixed asset additions must be approved by the Chief Financial and Operations Manager.

12.2 All expenditure on IT equipment, IT infrastructure and related IT developments must be approved by the Chief Financial and Operations Manager, who will liaise with the Chief Executive Officer and ICT Director to ensure that investment is consistent with the Trust’s overall IT strategy.

Fixed Asset Register

12.3 All items or groups of similar items purchased with a value over the Trust’s capitalisation limit of £2,000 must be capitalised. Assets below this value of £2,000 will be charged to the income and expenditure in the year of purchase.

12.4 All assets with a value above £2,000 will be entered into the Fixed Asset Register.

12.5 Business Managers will review the Fixed Asset Register on a yearly basis to ensure completeness and identify any discrepancies. Any discrepancies over £1,000 must be reported to the Trust's Chief Financial and Operations Manager.

12.6 The Fixed Asset Register helps:

i. ensure that staff take responsibility for the safe custody of assets;

ii. enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
iii. to manage the effective utilisation of assets and to plan for their replacement;
iv. help the external auditors to draw conclusions on the annual accounts and the Trust's financial system and support insurance claims in the event of fire, theft, vandalism or other disasters;
v. security & disposal of assets.

Security of Assets

12.7 Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

12.8 All the items in the fixed asset register should be permanently marked as the Trust's property and there should be a regular (at least annually) 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 Trust Chief Financial and Operations Manager.

12.9 Inventories of Trust property should be kept up to date and reviewed regularly. Where items are used by the Trust but do not belong to it, this should be noted.

Loan of Assets

12.10 Items of Trust property, except staff and student laptops or tablets, must not be removed from academy premises without the authority of the Headteacher.

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

Disposals

12.12 Items which are to be disposed of by sale or destruction must be authorised for disposal by the Chief Financial and Operating Officer and, were significant, should be sold following competitive tender.

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

12.14 All disposals of land must be agreed in advance with the Secretary of State.

Depreciation Policy

12.15 The Trust will depreciate fixed assets in line with recognised Accounting Policies agreed with the External Auditors, best practice and DfE guidelines.

12.16 Depreciation rules will be approved by the Board in advance of preparing the annual statements.

13. Leases

13.1 Under UK financial reporting standards applicable to academy trusts, there are 2 types of lease:

- finance leases: these are a form of borrowing
- operating leases: these are not borrowing.

13.2 The Trust can enter into finance leases provided the asset is on the DfE approved list as outlined in the Academy Trust Handbook. For assets not of the DfE approved list DFE approval is required.

13.3 The Trust can enter into operational leases as outlined in the Academy Trust Handbook.

13.4 All leases will be signed off within the procurement policy limits and with the CEO's approval.

14. Companies Policy

14.1 The Trust will not form any companies, subsidiaries or joint ventures without the approval of the Board.

15. Reserves and Investments Policy

15.1 This is detailed in Appendix 4.

16. Charging and Remission Policy

16.1 The Trust will ensure that educational opportunities provided at the Trust 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.

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

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

16.4 In all cases, where a charge is made it will not exceed the costs of the provision.

17. Staff Expenses

17.1 This is detailed in Appendix 5

18. Trustees and Governors Expenses

18.1 This is detailed in Appendix 6

19. Taxation

19.1 The Trust will account for VAT strictly in compliance with the rules and regulations applicable at that time. It is the responsibility of the Chief Financial and Operating Officer to ensure compliance with VAT regulations.

19.2 The Chief Financial and Operating Officer will ensure that Corporation Tax returns are completed on time and in accordance with legislation.

19.3 Any payments to contractors and subcontractors will be made in accordance with the Construction Industry Scheme and any consultant will only be paid gross, when that is following PAYE guidance.

20. Insurance

20.1 The Trust reviews all risks continually to ensure that the cover available and the sums insured are adequate.

20.2 The Trust will notify the insurers of any new risks or any other alterations affecting existing insurance.

20.3 The Trust will not enter into indemnities which are not in the normal course of business.

20.4 The Trust will immediately advise the insurers of any accident, loss of other incident which may give rise to an insurance claim and Business Managers or

Headteachers must provide such information promptly to the Trust Commerce and Risk Manager.

21. Bad Debts – Discretion Required

21.1 The procedures for debt recovery and for the write-off of any debt which is deemed to be irrecoverable will follow this guidance.

21.2 Wherever possible, income due will be collected before or at the time the relevant sale or service is provided. If this is not possible, an invoice will be issued.

21.3 Income from lettings will be collected in accordance with the Lettings Policy.

21.4 If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad (irrecoverable) debts may be written off after approval by the Chief Financial and Operating Officer up to £1,000, otherwise by FRC and in accordance with the guidance provided in the Academy Trust Handbook. The Trust must obtain the DFE's prior approval for writing off debts above limits specified in the Handbook.

21.5 To ensure sound internal control, staff who raise invoices, will not have the authority to write off debts. The VAT element of any debt must not be written off, as this contravenes HM Revenue & Customs statutory requirements.

21.6 The Academies will retain a Bad Debt Write-Off Summary.

22. Novel, Contentious and/or Repercussive Related Party Transactions

22.1 Novel, contentious and/or repercussive related party transactions are subject to separate arrangements. Trusts must obtain DFE's prior approval for any contracts and other agreements with related parties that are novel, contentious and/or repercussive, regardless of value. Approval must be sought using DFE's related party on-line form. Trusts should carefully consider the impact of this requirement and its relevance to transactions involving the board chair and/or the accounting officer.

23. Monitoring Outcomes and Review

23.1 Outcomes will be monitored and reviewed by regular internal checks and scrutiny by senior management including an annual review with Business Managers and the Chief Financial and Operations Manager.

23.2 Effectiveness of this policy and any associated procedures will also be monitored by the FRC, supported by ARC, External Audit, including the Regularity Audit, and regular testing by Internal Audit. Audit results will be presented by regular written reports to ARC.

23.3 Findings and recommendations will be used to revise this policy and associated procedures; this will be undertaken by referring any recommendations for changes to FRC.