Inspire Education Trust

Together we achieve, individually we grow

Finance Policy

Policy Date: September 2026

Review Date: September 2027

Document History

Version	Status		Date	Author	Summary Changes
V1			Aug 21	Lois Whitehouse	
V2			Sept 22	M Nisbet	Update role titles, finance processes
V3			Sept 23	M Nisbet	Review and minor amends Updated role responsibilities Updated re ATH 2023 e.g. RPT Added 3.1 new supplier process
V4			Sept 24	C Lewington/ L Whitehouse	Page 2 – delete HoE insert Deputy CEO Reference to FARC throughout policy amended to Finance Committee Page 8, 1.6 last sentence amended to Sept 2024 S1.41 Page 12, Point 2.4 add ICFP Page 12; 2.6.4 Para 1 added text in last sentence to include FBP Page 13 clarification of web based backups Page 18; 3.5 added with the use of faster payments in exceptional circumstances Page 26 4.4 added commercial instance access account Page 27, 4.10 additional bullet points 6 & 7 Page 30 authorisation of travel/subsistence added DCEO Page 31 amends to bank mandate signatories Page 21 and 23 updated for UK Procurement guidelines

Version	Status		Date	Author	Summary Changes
V5			June 25	Heriate Mahachi	Job title changes and updates relevant to the Academy Trust Handbook made.
V6			June 26	Heriate Mahachi	Updates made to align with the Academy Trust Handbook 2026, including funding allocation transparency, procurement requirements, executive pay prior approval, CFO qualification expectations and inclusion/SEND cross-reference.

Responsibility

The Inspire Education Trust Board of Directors have a responsibility for the oversight of this and all policies within the Trust's academies and may delegate the implementation and review of this policy to the CEO and/or the Deputy CEO.

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Introduction

The purpose of this policy and associated procedures is to ensure that the academies within Inspire Education Trust (IET) maintain and develop robust systems of financial control, which conform to the requirements of both propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreements with the Department for Education (DfE).

Academy status brings increased autonomy though the Funding Agreements and therefore brings responsibility and the greater need for transparency.

The Trust and each academy within the Trust must comply with the principles of financial control detailed in the Department for Education Academy Trust Handbook (ATH), published and updated annually by the DfE. This policy has been reviewed against the Academy Trust Handbook 2026, which is effective from 1 October 2026. This policy provides detailed information on the Trusts' accounting procedures, which should be read by all staff involved with financial systems, management and reporting.

This policy is designed to be consistent with:

- DfE Academy Trust Handbook
- The Trust Memorandum and Articles of Association
- The Trust Scheme of Delegation
- HM Treasury's Regularity, Propriety and Value for Money handbook
- Master and Supplementary funding agreements

1. Organisation

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 Members, Trustees and staff.

The financial reporting structure is outlined below in line with the Trust Scheme of Delegation.

1.1 The Members

The Members of the Trust comprise of:

- Signatories to the Memorandum (Foundation Members)
- Members appointed by existing Members.

An employee of the Trust cannot also be a Member.

The Members are responsible for appointing/and removing (in certain circumstances) the Trustees of the Trust.

Members can amend the articles and may do so to support stronger governance arrangements, subject to any restrictions in the articles or in the Trust's funding agreement or Charity law.

The Members are responsible for appointing the Trust's external (financial statements and regularity) auditor and they have the right to receive the annual report and financial statements.

The Members have the power to change the name of the company and ultimately, wind up the Trust.

The Members are responsible for holding an Annual General Meeting (AGM). Further (extraordinary) general meetings (EGM) may be called by the Trustees or Members.

The Members will maintain an "eyes on and hands off" role to avoid compromising the Trust Board discretion.

1.2 The Board of Trustees and Local Governing Bodies

The Trustees and Local Governors will manage their affairs in accordance with the high standards, as detailed in the "Guidance on Codes of Practice, for Board Members of Public Bodies" and in line with the Nolan principles (seven principles of public life)

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

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

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

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

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

Honesty
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

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 whenever it occurs.

1.3 Managing the Academy Finances

The Board of Trustees has overall responsibility for administration of IET's finances. The main responsibilities of the Board of Trustees are prescribed in the Funding Agreement between IET academies and the DfE. The main responsibilities include:

- Overseeing and ensuring effective financial performance
- Take ownership of financial sustainability and ability to operate as a going concern
- Ensure the grant from the DfE is used for the purposes intended
- Approval of the annual budget
- Ensure a Scheme of Delegation is in place that maintains robust internal controls
- Appoint a Finance and Audit committee to which the Board delegates financial scrutiny and oversight, sets the programme of independent internal scrutiny and which can support the Board in maintaining the Trust as a going concern
- Ensure internal control, risk management and assurance arrangements are operating effectively and subject to appropriate scrutiny. The Trust will maintain a strategic risk register and regular reporting arrangements to ensure emerging financial, operational, safeguarding, estates and compliance risks are identified, mitigated and monitored.
- Appoint the Chief Executive Officer in writing (this is also the Trust Accounting Officer) and hold them to account for the performance of the Trust
- Ensure assets are managed
- Ensure accurate accounting records are maintained
- Ensure that financial plans are prepared and monitored, ensuring rigor and scrutiny in budget management
- Take a longer-term view of the Trust's financial plans consistent with the requirement to submit three-year budgets to the DfE
- Minute that it has considered Management Accounts submitted to the Board at least 6 times annually
- Explain its policy for holding reserves in its annual report

1.4 The Finance Committee

The main responsibilities of the Finance Committee include:

- Initial review and authorisation in principle of the annual and three-year budget. Finance will then recommend to the Board for full approval
- Regular monitoring of actual expenditure and income against budget
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies annually i.e. Academies Accounts Direction (AAD)
- Authorising the award of contracts up to the amount as stated in the scheme of delegation
- Direct the programme of internal scrutiny and agree who will perform the work ensuring independence and objectivity
- Report to the Board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and management of risks and summary of findings of programme on internal scrutiny

- Review the ratings and responses on the risk register to inform the programme of work, ensuring checks are modified as appropriate each year
- Ensure information submitted to the DfE that affects funding – including pupil number returns (census) is accurate
- Review and monitor government grant funded capital projects (for IET, SCA funding)
- Review the external auditor's plan each year, review the annual report and accounts, review the auditor's management letter findings and actions taken by the Finance Director in response to these findings
- To review the financial policies of the Trust and where necessary make recommendations.

1.5 The Chief Executive Officer (CEO) and Accounting Officer (AO)

The Chief Executive Officer (CEO) has overall executive responsibility for the academies within IET and is the named Accounting Officer (AO) for the Trust.

The CEO retains responsibilities for:

- Ensuring adherence to the 7 principles of Public Life
- Ensuring regularity, propriety, feasibility and Value for Money
- Prudent and economic administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resources and oversight of financial transactions
- Authorising contracts up to the amount stated in the scheme of delegation
- Development of the annual budget and medium-term financial planning
- Approving new staff appointments within the authorised establishment

The AO must complete and sign a statement of regularity, propriety and compliance each year and submit this to the DfE with the audited accounts. As AO, the CEO must also demonstrate how the Trust has secured value for money via the governance statement in the audited accounts.

The AO must notify the Board where it is identified that the Trust's ability to operate as a going concern is at risk. Trustees must take ownership of the necessary action, including notifying the DfE where required (ATH 2026, section 2.21).

The AO has a duty to take action if the Board of Trustees or Chair of the Board is contemplating a course of action, which the AO considers an infringement of propriety or regularity. Objections should be put in writing to the Board, details sent to the Permanent Secretary of State and the Trust's external auditors.

The AO may delegate, or appoint others to assist in these responsibilities.

1.6 (a) The Finance Director (FD)

The FD fulfils the role of the Chief Financial Officer (CFO) as defined in the Academy Trust Handbook. The FD works in close collaboration with the CEO, though is responsible to the Trust Board. The Finance Director has direct access to the Trust Board. The Finance Director will play both a technical and leadership role including ensuring:

- Management of IET's financial position at a strategic and operational level
- Establishing a suitably qualified/ experienced finance team
- Maintenance of effective systems of internal control
- To be accountable for the overall financial operations of the Trust
- To ensure that appropriate and timely financial management reports are available for all stakeholders including budget holders, CEO, Trustees and appropriate committees
- To ensure that all financial activities adhere to applicable financial regulations and procedures including statutory accounting and that financial returns are carried out within deadlines, and provision of reports to support year end processes
- To advise the CEO and Trust Board on current financial, accounting and audit practices
- To participate in senior planning in respect of financial matters and play a lead role in financial reporting to the Trust in all board and committee meetings
- To manage and oversee the contracts for all outsourced services (including payroll and catering)
- To identify risk issues and opportunities, reporting to the CEO and Trust Board.
- To oversee the Trust's procurement arrangements ensuring Value for Money and that efficiencies are realised across the Trust.
- Authorising orders and the award of contracts within the approved limits.

The Finance Director should maintain continuing professional development and undertake relevant ongoing training (ATH 2026, section 1.47). Where the Trust has more than 3,000 pupils, any CFO recruitment exercise starting on or after 1 October 2026 should specify that candidates hold a relevant professional accountancy qualification or CIPFA Level 7 equivalent; this becomes a mandatory requirement for recruitment processes starting on or after 1 September 2027, subject to any DfE notification requirements.

(b) Operational /Day to day

The Finance Director will also work closely with the CEO and Executive Leadership Team (ELT) to ensure compliance with financial procedures, including the preparation of academy budgets and ensuring that academies comply with their statutory obligations.

Specific operational responsibilities include –

- Preparation of timely and accurate management accounts at consolidated Trust and academy level
- Financial compliance with the funding agreements, Charity SORP, ATH, AAD and all relevant Companies and Charities legislation
- Preparation of information to support the annual budget preparation for the IET Board
- Preparation and lead for audit services – external and internal
- Leading to ensure the robustness of the financial accounting systems and processes
- Leadership of the Trust's central finance team

1.7 The Main Financial Administration Responsibilities for Office Managers

Academy Office Mangers (OMs) and central finance teamwork in close collaboration with and are directly responsible for financial administration compliance to the Business Partners and the Finance Director.

All OMs, are responsible for:

- Authorising purchase orders and invoices via the ApprovalMax workflow tool
- Ensuring that financial controls are working effectively at academy level
- Actively monitoring expenditure versus budget via XFE finance system
- Identification and management of financial risks relevant to their academy and escalating to the Finance Director and Finance Business Partner as appropriate
- Adhering to financial guidance issued by the Trust and from the AO
- Ensuring financial process and procedures are being followed and adhered to
- Driving their academy to a cashless position in as far as possible and ensuring the timely banking of cash receipts
- Adherence to VFM principals
- Ensuring accurate academy census are submitted to the DfE in accordance with published deadlines

1.8 Internal Audit (Internal scrutiny undertaken via supplementary work programme)

The Finance Committee, on behalf of the Trust, will consider how arrangements for independent internal scrutiny (audit) will be met as part of the wider assurance framework. This is to ensure that:

- The financial responsibilities of the Board of Trustees are being properly discharged
- Resources are being managed in an efficient; economic and effective manner
- Sound systems of internal financial control are being maintained
- Financial considerations are fully considered in reaching decisions

A programme of checks will be agreed with the Chair of Finance on behalf of the Board of Trustees. Internal auditors will carry out financial reviews in order to provide assurance to the Board of Trustees and indirectly to the Department for Education.

The auditors will undertake the checks and balances in line with the requirements of the ATH. Internal security must focus on:

- Evaluation of the suitability and level of compliance, with financial and non-financial controls. This includes assessing whether procedures are designed effectively and efficiently, checking whether agreed procedures have been followed
- Offering advice and insight to the Board on how to address weaknesses in financial and non-financial controls, acting as a catalyst for improvement, without diluting management's responsibility for the day to day running of the Trust
- Ensuring all categories of risk are being adequately identified, reported and managed

The Trust must identify on a risk-basis (with reference to the Risk Register) the areas it will review each year, modifying its checks accordingly. As per the ATH internal scrutiny must be independent of operational management and the finance function. Individuals undertaking scrutiny work must not have responsibility for the area under review.

1.9 Other Staff

All staff are responsible for:

- The security of Trust property
- Avoiding loss or damage

- For ensuring economy and efficiency (including ensuring that goods and or services are appropriate and fit for Trust purpose i.e. not over specified) and scoping and implementation holds a strong focus in all procurement processes) in the use of resources and conformity with the Trust's finance policies, procedures and the requirements of each of the academy's financial procedures.

1.10 Register of Interests

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make.

It is vital that Trustees and staff adhere to the seven principles of public life, act and are seen to act, impartially. To avoid any misunderstanding that may arise all members of the Board of Trustees are therefore required to complete a declaration of business interests through Governor Hub. Academy Head Teachers, Trust senior staff, the Central Finance Team and all other relevant staff are required to complete a declaration annually and must update this during the year if their circumstances alter from their initial declaration. This is managed and co- ordinated by the Trust Finance and Compliance Officer (FCO). The register is open to public inspection and is published on the Trust's website.

Declarations should include all business and pecuniary (monetary) interests such as directorships, shareholdings and other appointments of influence within a business or other organisation. They should also include interests of related persons such as a parent, spouse, child, cohabitee and business partner, where that person could exert influence over a Trustee, governor or member of staff.

The existence of a register of business interests does not detract from the duties of the Trustees and staff to declare interests whenever they are relevant to matters being discussed by the Board or Committee. Where an interest has been declared, Trustees, Governors and staff should not attend that part of the meeting. It is the role of Trust Governance Professional and Clerk to the Board to ensure the Register of Business Interests are maintained and are up to date at all times.

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 AO 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.

The DfE requires academy trusts to report all contracts and other agreements made with related parties in advance of the contract or agreement commencing or being renewed.

The DfE requires academy trusts to obtain prior approval before entering into contracts or other agreements for the supply of goods or services by a related party where the value of the transaction exceeds the threshold set out in the Academy Trust Handbook or subsequent DfE guidance. For transactions commencing on or after 1 September 2023, prior DfE approval is required where the value of the transaction exceeds £40,000, unless the transaction falls within an exemption specified by the DfE.

This approval requirement does not apply in the following circumstances:

- contracts and other agreements for the supply of goods or services by educational establishments including colleges, universities and schools which are sponsors of the academy trust
- state funded schools and colleges, including academies

The Trust must pay no more than cost for goods or services provided to it by persons with an interest in the academy trust. Services do not include services provided under a contract of employment. The "at cost" requirement applies to contracts for goods and services from a related party exceeding £2,500 cumulatively in any one financial year. The element above £2,500 must be at no more than cost.

2. Financial Planning

The Trust and each academy will prepare both short-term and medium-term financial plans. These plans are prepared to inform the Trust's strategic development planning processes for the next three-year period.

The medium-term financial plan is prepared as part of the Trust and academy development planning process. The development plan indicates how the Trust 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 CEO / Trustees will set the assumptions.

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

2.1 Development Plan

The development plan is concerned with the future aims and objectives of the Trust and each academy and details how they are to be achieved: The Trust will set overall core objectives, which will flow into specific objectives for each academy relevant to their specific development priorities. The development plan 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.

2.2 The Annual Budget

The Finance Director is responsible for the preparation of and obtaining approval for the annual budget. The Finance Committee must approve the proposed budget in principle and then recommend to the Full Board for final approval.

The approved budget must be submitted to the DfE each year by the deadline set by DfE and the Finance Director is responsible for establishing a timetable, which allows sufficient time for the approval process and to ensure that the submission date is met.

The annual budget will reflect the best use of resources available to each academy for the forthcoming three-year period and will detail how those resources will be utilised.

Each academy should set a balanced budget, taking into account short, medium term projections, together with the need to invest to meet the longer-term business plan. Any proposed use of reserves requires approval by the Finance Committee.

Once the different options and scenarios have been considered, a draft consolidated budget should be prepared under the direction of the Finance Director for approval by the CEO, Finance Committee and Full Board. Once agreed, the budget should be communicated to all staff with responsibility for budget headings so that everyone is aware of the overall budgetary position.

2.3 Budget Management

The CEO, Chair of Finance Committee and Chair of the Board of Trustees will receive monthly budget monitoring reports from the Finance Director on current spend against budget and forecast outturn expenditure. Recommendations will be suggested regarding appropriate action to be taken to correct any significant over or under spending and plans formulated for consideration at the Finance Committee.

The CEO may delegate elements of the budget to staff where this is appropriate. These budget holders must operate within the same objectives and controls as those agreed for the Trust as a whole. Delegated budget holders will be provided with sufficient information and support to enable them to perform adequate monitoring and control. Such budget holders are accountable to the CEO, who is responsible for ensuring mechanisms exist to enable such delegated budgets to be monitored and managed.

Any potential overspends against the budget must in the first instance be discussed with the CEO.

All delegated budget holders will receive finance training from the central finance team, to enable them to manage their budgets effectively and efficiently.

2.4 Funding Allocation Across Academies

The Trust may pool General Annual Grant (GAG) and other unrestricted funding to support its strategic objectives and ensure resources are directed to areas of greatest need. The Trust's methodology will balance equity and equality, recognising that academies may require different levels of support and investment in order to secure high quality educational outcomes for all pupils.

The Board of Trustees is responsible for determining the methodology used to allocate funding and resources across the Trust's academies.

The allocation methodology must:

- Be fair, transparent and aligned to the Trust's strategic objectives.
- Support educational outcomes and financial sustainability across the Trust.
- Take account of individual academy needs, pupil numbers, levels of deprivation, curriculum requirements and financial performance where appropriate.
- Be reviewed annually as part of the budget-setting process.

The allocation methodology must also take account of the Trust's legal duties and strategic commitments relating to inclusion, SEND, admissions, safeguarding, place planning and cooperation

with local authorities and other relevant agencies. Financial planning and resource allocation should support a trust-wide approach to identifying and meeting additional needs, including for pupils with SEND, disadvantaged pupils and children known to social care.

The Trust will prepare, approve and publish an annual statement explaining how funding has been allocated between academies and how pooled resources have been used, in accordance with the Academy Trust Handbook 2026. This statement must be published by 31 January each year alongside the Trust's annual accounts and should explain the funding allocation methodology, central costs, pooled funding arrangements and how the statement reconciles with the annual accounts.

The statement will be approved by the Board of Trustees and made available in accordance with DfE requirements.

2.5 Fraud Reporting & Whistleblowing

The Trust is committed to maintaining the highest standards of integrity, propriety and accountability in the use of public funds. All trustees, employees, governors, volunteers, contractors and other stakeholders have a duty to report any suspected fraud, bribery, corruption, financial irregularity or other wrongdoing promptly. Concerns may be raised confidentially and without fear of detriment in accordance with the Trust's anti-fraud & whistleblowing policy. All allegations will be investigated appropriately and, where required, reported to the Board, external auditors, the DfE or other relevant authorities in line with the Academy Trust Handbook and regulatory requirements. (Please refer to the Trusts' Anti-Fraud & Corruption and Whistleblowing Policies for full details).

2.6 Accounting System

The Trust uses the Xero financial system in all its academies, ApprovalMax to manage the purchase to payment approval workflow, XFE to hold and monitor its orders and IMP Software Ltd (IMP) for budget and scenario planning and ICFP.

All financial transactions must be recorded within the accounting package. Access rights within the accounting package are defined for each user with a unique ID and password.

- All financial transactions relating to each of the academy's budget within the Trust must be recorded using the accounting package. There must be a clear audit trail for all financial transactions from the original documentation to accounting records. Finance records must be stored for 7 years in accordance with Trust policy and applicable statutory requirements.
- Only authorised staff will be permitted access to the accounting records, which should be securely retained when not in use. User access rights will be reviewed periodically and updated promptly when staff join, change roles, or leave the Trust.
- The finance system must be protected by robust back up procedures.
  These back-ups take place automatically by Xero system in the cloud. All Accounting systems are web based and the Trust will maintain appropriate business continuity and disaster recovery arrangements.

All Management Information System procurement and contract renewals must comply with the DfE MIS framework requirements and associated transition deadlines, including alignment with the DfE MIS framework by September 2027 where applicable. The Trust will ensure any procurement or use of

Artificial Intelligence systems complies with DfE guidance, data protection legislation, cyber security requirements and Trust policies.

2.7 Transaction Processing

- Key to financial control within Inspire Education Trust is to ensure that the processes are set up in such a way to ensure that any single transaction that ultimately leads to a payment, requires at least two people to enable it to be actioned
- This is primarily controlled though adherence to segregation of duties in all finance processes following the basic principle of an administrator role inputting the transaction and a budget holder role authorising the transaction for payment
- The central finance team will act as the administrator, the OM/budget holder to be first approver and Headteacher/SLT as second approver.

The Finance Director will check monthly reconciliations in respect of the control accounts and bank reconciliations under the budget management process of monitoring and control.

2.8 Payroll

The main elements of the payroll system are:

- Staff appointments and charges
- Payroll administration
- Payroll processing and payment
- Transaction recording and salary reconciliations

The Trust must not introduce any alternative pension scheme without obtaining prior approval from the DfE.
The Trust must obtain prior DfE approval where required by the Academy Trust Handbook before entering into, advertising, approving or implementing any transaction or arrangement requiring such approval. This includes, but is not limited to, relevant executive pay arrangements, alternative pension schemes, applicable related-party transactions, special severance or other special payments, and any other transaction identified in the Academy Trust Handbook or DfE guidance as requiring prior approval.

2.8.1 Staff appointments and charges

Under the approval of the annual budget, the Board of Trustees will approve a staffing establishment register (staff list) for each academy within the Trust plus the central function. Changes can only be made to this staffing establishment register with the express approval in the first instance of the CEO, through consultation and agreement with the Finance Committee who must ensure that adequate budgetary provision exists for any establishment changes.

2.8.2 Payroll administration

From April 2022, payroll administration for the Trust is outsourced to Xeindin.

All starters, leavers and amendments, are notified to the payroll provider for processing in the appropriate month under the direction and guidance of the Trust HR function.

2.8.3 Payroll Processing and Payment

The Trust's Director of People and Culture is responsible for liaising with the payroll provider and ensuring all payroll administration and authorisation processes are documented, compliant and adhered to at all times.

2.8.4 Transaction recording and salary reconciliations for budget management

The monthly salary journals are processed by the Central finance team and posted to the finance system/s. As part of the finance month end procedures, the Central finance team are responsible for reconciling the actual payroll cost to the relevant budget/in year reforecast, investigating, notifying and resolving variances as appropriate. As part of the finance month end routines, the reconciliations are reviewed and signed off by both the Finance Director and Finance Business Partner, depending on who has completed the reconciliation.

Payroll transactions relating to all Trust staff, permanent or casual, will be processed through the payroll system or Faster Payments for exceptional circumstances. Payments for employment will not be made to staff through any other mechanism.

All other staff reimbursement claims must be authorised by the appropriate budget holder and processed via the finance systems e.g. mileage, expense claims.

All severance payments and other special payments must be approved in accordance with the Trust's Scheme of Delegation and the Academy Trust Handbook. Prior DfE approval must be obtained where required before any payment is committed, offered or made.
All paper-based personnel files must be stored in a lockable cabinet. Only the CEO, Deputy CEO and CEO's Senior Executive Assistant, central HR team, academy Head Teachers and OMs will have access to staff files, but individuals can request to see their own files in line with GDPR policy and legislation.

The Trust's Director of People and Culture will ensure through direction and support to Trust and academy staff, that the staff personnel files/records and Single Central Registers (SCRs) are accurate and up to date at all times.

3 PURCHASING

IET will always aim to achieve best value for money for all its purchases, ensuring that services are delivered in the most economical, efficient and effective way within available resources and with independent validation of performance achieved wherever practicable. All members of staff are responsible for ensuring that they do not order goods or services that are over the specification required. The Trust must consider DfE-approved purchasing opportunities when making purchasing decisions and record the rationale for the chosen route. The Trust must use the Government Commercial Agency framework for supply staffing unless an alternative compliant arrangement demonstrably offers equal or better value, and must use DfE

Energy for Schools or a DfE-approved energy deal when energy contracts are renewed.

A large proportion of Trust purchases will be paid for with public funds and the Trust needs to maintain the integrity of these funds. The Finance Director is responsible for ensuring procedures are in place for testing the market, placing of orders and paying for goods and services by following the general principles of:

- Probity – an approach to all interested parties in the disclosure of information that lends itself to necessary scrutiny.
- Accountability – the process whereby individuals are responsible for their actions and decisions.
- Fairness – that all those dealt with by the MAT are dealt with on a fair and equitable basis.

The Finance Director will ensure there are robust internal financial controls embedded within the Trust's processes and procedures and will challenge all staff where there is any potential for non-adherence to the procurement principles.

3.1 Supplier Account Set Up Process

If a new supplier is required to be set up on the finance systems, the staff member requesting the order (requisitioner), will need to initiate the supplier account set up process. The requisitioner will need to complete the 'contact request' section within ApprovalMax. The requisitioner must complete in the 'notes to approver section', the reason for the new supplier request, including declaring any relationship, prior connection with the potential supplier (which, if applicable, must also be declared on associated Trust compliance documentation e.g. Business Interests Register).

The contact request will be automatically emailed to the central finance team email account.

To ensure compliance with Trust procedures and appropriate due diligence on new Trust contacts, the Finance Assistants will perform the mandatory requirements to enable a new supplier to be created on Trust finance systems, including: -

- Independent Bank Verification
- Companies House Check
- VAT Number Check
- Addresses match / written reason received and agreed by line manager
- IR35 check complete (if applicable)
- UTR number received for self-employed supplier
- Business Interest check from requester to supplier

The time to complete the set up and approval process is dependent on the receipt of the necessary information, from both the requisitioner and the potential new supplier.

Once all information is received and checks completed, the documents will be uploaded to the Trust finance systems as appropriate. ApprovalMax will automatically notify, via email, the staff member requesting the supplier set up, confirming the supplier is now an approved supplier. It is not until this

process is complete, the new supplier is officially approved for order processing.

3.2 Orders for goods and services:

Official orders must be raised through ApprovalMax and will be emailed directly to the supplier once authorised. Orders must be raised as soon as a liability to commit the Trust to expenditure is known.

Under the management and ongoing guidance of the FCO, authorised staff directly input an order to ApprovalMax system, which will automatically be sent through the electronic workflow process, to the budget holder for approval. Completing orders though ApprovalMax is the preferred option for controlling procurement and Trust financial commitments. Alternatively, and in exceptional circumstances only, staff can send an authorised requisition form to the finance email account for processing. This method may take more time to process. Requisitions must be approved by the budget holder and detail all relevant information to support efficient processing.

Staff seeking to make a purchase from Amazon can place the order directly to the trust business Amazon account, adhering to Trust purchasing procedures.

Where the value of an order is over £10,000 the requisition must be accompanied by evidence of three quotes/or proof that a Value for Money (VFM) exercise has taken place. Purchase orders should only be authorised if the VFM documentation is present and correct. Advice about suppliers or obtaining best value is available from the Finance Director or FCO.
Telephone/direct verbal ordering will be permitted only in situations where raising an official order is not practicable and always with prior approval from the budget holder. In such cases, a system generated confirmation purchase order will be raised as soon as possible. Requisition forms must be saved to the financial information system/s. Staff placing orders must ensure that all suppliers are instructed to quote the purchase order number on all correspondence e.g. delivery notes, invoices, statements.

Charge Card orders can be done via ApprovalMax (stating "CC" or Charge Card in the description) or using a signed requisition. Card Holders must get prior approval before completing orders online. The completed receipt and signed requisition/purchase order must be sent to the finance team for processing in a timely manner, as soon as the charge card transaction has been completed.

3.3 Delivery of Goods and Services

On receipt of goods, a member of the receiving academy's staff (preferably a member of staff who did not place the order) must check the goods received, and inform the OM. The OM will then approve the invoice via ApprovalMax. If all items on an invoice have not been received, the OM must reject the invoice and write a comment to inform the finance team.

The member of staff receiving the goods must raise any discrepancies with their academy office staff and/or supplier for investigation and resolution, informing the finance team as appropriate.

The Trust recognises that there are instances when it is not possible to process orders for goods and services in the normal way and items, such as ingredients for cookery, may have to be purchased and claimed back. Staff must always obtain prior approval before making any purchases that they require

reimbursement for from the budget holder.

3.4 Charge Cards

Online purchases and payments via a Trust charge card must be authorised by the relevant budget holder before the purchase is made. This method of payment should be ad-hoc and exceptional rather than the norm. The Trust's financial management system is the preferred and approved method of procurement i.e. where a purchase order is submitted direct to the supplier.

Each academy may have a charge card allocated to key individuals e.g. the OM, a member of staff linked to any wraparound provision (i.e. responsible for ordering food and low value consumables).

For the Trust central function, the following staff hold charge cards:

- Finance Business Partner
- Finance Compliance Officer
- Senior Executive Assistant to the CEO
- Head of Estates
- Trust Estates Manager
- Network Manager (Primaries)

Approved charge card holders must, at all times, hold charge cards securely and not disclose PIN codes to any other party.

No expenditure, irrespective of the method of procurement (i.e. cash, charge card, purchase order) should take place without prior budget holder approval.

3.4.1 Payment of Supplier Accounts

Invoices will be paid when the budget holder has approved the invoice, confirming goods or services have been received and are of the quality expected

All OMs are responsible for taking their academy to a cashless position in as far as possible. Therefore, the Trust aim is to ensure all supplier accounts are settled by BACS payment, with the use of Faster Payments in exceptional circumstances. In the meantime, all cheques receivable and cash are to be stored in the safe and the keys held within a locked cabinet. The OM is responsible for ensuring that all cheques and cash are banked on a timely basis and must maintain a safe log. Additionally, the entity paying by cheque or cash will be encouraged to take the cash less option in the future if possible.

OMs must regularly update the FCO with regards to the transition to operating as a cashless entity, any limiting factors and support required as appropriate.

3.5 Responsibilities for Finance Administrators Processing Invoices:

Payment for supplies and services will only be paid upon receipt of an invoice when:

- It is confirmed that goods or services have been received and are of the quality expected

- When processing staff have undertaken the following checks:
  - The unique Invoice number is used which must not be deviated from as it is an integral financial control
  - The invoice is arithmetically correct
  - Prices are correct
  - VAT has been treated correctly
  - Any copy invoices will be checked thoroughly before processing for payment, in order that duplicate payments are avoided
  - At least two people must be involved in the process of agreeing invoices and authorising payment
  - Ensure payment terms are recorded on the Trust's financial accounting system

Once the invoice has gone through the above process, it will go via the web-based workflow authorisation for approval by the appropriate budget holder

3.6 Payments to Individuals – IR35

Payments must only be made to individuals on production of proof that they are self-employed. They should produce proof of their Unique Tax Reference (UTR). If they cannot provide proof of this, payment cannot be made to the individual via an invoice and we are then obliged to deduct tax and National Insurance via a separate IR35 payment process The Trust's Director of People and Culture controls the IR35 process, advising the central finance team as appropriate i.e. how to process payments to individuals. The outcome of any HMRC review process by the Trust's Director of People and Culture must be uploaded to financial management system and available for auditors and/or HMRC inspection.

3.7 PROCUREMENT AUTHORISATION LIMITS:

Class 1 Contracts – Low value transactions

- £0 - £25,000 Head teacher authorised to arrange directly.

Class 2 Contracts – Intermediate value transactions

- £25,001 - £55,000 Finance Director
- £55,001 - £100,000 Chief Executive Officer

Class 3 Contracts – High value transactions

- Over £100,000 – Chair of Finance Committee acting on behalf of the Board

Class 4 Contracts – Tender procedures for high value transactions

- For contracts with a value at or above the prevailing UK Procurement Act threshold, a formal tender process must be undertaken.

The Finance Director must confirm the applicable threshold before procurement commences, as

thresholds are subject to periodic revision.

Full tendering and UK procurement regulations and procedures must be followed.

N.B. Procurement thresholds are subject to revision and must be checked against the prevailing statutory threshold before the procurement route is confirmed.

3.8 VALUE FOR MONEY

For quotes and tenders, the following limits will apply unless *the purchase forms part of an existing contract:*

- At least three written quotations will be obtained for all purchases over £10,000 and up to £100,000. Written details of quotations obtained should be prepared and retained for audit purposes.

- All goods and services ordered with a value above £101,000, or for a series of contracts which together meet or exceed the prevailing UK Procurement Act threshold, will be ordered under the tender process.

- Purchases at or above the prevailing UK Procurement Act threshold must comply with the applicable statutory procurement requirements.

3.9 FORMS OF TENDER

There are three forms of tender procedure:

- Open,
- Restricted
- Negotiated

The circumstances in which each procedure should be used are described below:

3.10 OPEN TENDER:

This is where potential suppliers are invited to tender. The budget holder must discuss and agree with the CEO and Finance Director how best to advertise for suppliers. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

3.11 RESTRICTED TENDERS:

This is where suppliers are specifically invited to tender and is appropriate where:

- There is a need to maintain a balance between the contract value and administrative costs
- A large number of suppliers would come forward or because the nature of the goods is such that only specific suppliers can be expected to supply the academy requirements
- The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering

3.12 NEGOTIATED TENDER:

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

- The above methods have resulted in either no or unacceptable tenders
- Only one or very few suppliers are available
- Extreme urgency exists
- Additional deliveries by existing supplier/s are justified
- Suppliers are already approved e.g. as part of the DfE procurement frameworks or local authority tendering processes

3.13 PREPARING FOR TENDER

Full consideration should be given to:

- Scope and objective of the project
- Implementation plans
- Overall requirements
- Technical skills required
- GDPR Legislation
- After sales service requirements
- Form of contract

It will be necessary to rank all the requirements and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

3.14 INVITATION TO TENDER

An invitation to tender should include the following:

- Introduction/background
- Scope and objectives of the project
- Technical requirements
- Implementation of the project
- Terms and conditions of the tender
- Contract monitoring arrangements and reporting
- Form of response

3.15 ASPECTS TO CONSIDER

Financial

- Comparison of like with like cost
- Hidden costs
- Scope for negotiation

Technical

- Qualifications of contractor
- Experience
- Descriptions of technical and service facilities
- Compliance to CDM
- Compliance to GDPR Legislation
- Certificates
- Quality control procedures
- Details of previous sales and references

Other considerations

- Pre-sales demonstrations
- After sales service
- Financial status of supplier
- Quality of product / service

3.16 TENDER OPENING PROCEDURE

All tenders should be opened at the same time and tender details should be recorded. Two persons should be present at the opening of the tenders as follows:

- For contracts up to £100,000 the CEO and Finance Director
- For contacts over £100,000 CEO, Finance Director plus a member of the Finance Committee

3.17 TENDERING PROCEDURES

The evaluation process should involve at least three people. Those involved should disclose all interests, which may influence their objectivity.

Those involved must take care not to accept gifts or hospitality from potential suppliers.
Full records should be kept of all criteria used for evaluation and for contracts over £100,000, a report should be prepared to Finance Committee.

The accepted tender should be one that is economically most advantageous plus offers value for money.

3.18 Low value items of emergency expenditure

Reimbursement to staff for low value items of emergency expenditure cannot be made without receipts and an approved requisition form from the relevant budget holder. All reimbursements will be made in line with the expense policy and payments made via BACs. There is no authorised process for cash reimbursement.

VAT receipts must be obtained for all purchases. Staff purchasing on behalf of the Trust must not use their personal details such as name, home address, as the Trust will not be able to reclaim VAT if receipts are not in the name of the Trust. If a VAT receipt cannot be obtained, the Trust/purchasing academy, will incur the cost of the VAT. The central finance team processing such transactions will

notify the relevant budget holder, OM and Head Teacher as appropriate.

3.19 Card Purchasing Procedures

Internet Purchases must only be made if there is a benefit to the academy e.g.

- More cost-effective pricing, discount offered (after ensuring that VAT is recoverable)
- Expeditious delivery/lead time
- Product is unique to a particular supplier
- Suppliers who only sell with on-line payment or payment up-front

Consideration must be given at all times regarding overseas online purchasing e.g. carbon footprint, reputational risk re country of origin, HMRC compliance etc. All purchasing must adhere to Trust values as well as sector compliance.

The Trust has a business Amazon account and access can be given to Budget holders to place orders. Budget holders must follow normal purchasing principles for example; have sufficient funds in their budget.

Purchase orders can also be processed via the ApprovalMax system and once authorised sent to the supplier.

It is the responsibility of the budget holder to ensure that online purchasing is the most appropriate means for procurement. Where possible the official order number should be quoted on the online supplier order documentation as a cross reference. The online order must be raised in the name of the Trust, with the academy's details as the delivery address and contact.

3.20 ACADEMY TRIPS

When it is necessary for staff to have access to money during an academy trip, every effort should be made to minimise the amount of cash being carried by using a charge card or other appropriate means of payment. Authorisation for cash to be taken may be given by the Business Partner. The amount authorised will be consistent with the budget previously approved for the visit.

3.21 TRIPS

All trips and activities must be authorised and financially managed by the Head Teacher/ budget holder.

- A lead teacher must be appointed for each trip to take responsibility for supplying information to the academy OM to allow for a trip budget approval form to be prepared, that ensures the trip is financially viable as appropriate. The central finance team are able to support on costing trips, parental donations required etc. Completion of the trip budget approval form must take place before the trip is authorised and booked.
- The academy office, under the direction of the trip lead teacher is responsible for all parental communication.
- A copy of the business case proposal must be uploaded to the Trust's financial system, before

any relevant purchase orders, committing the Trust to expenditure, are placed

- Once the trip has been costed and authorised, the OM is responsible for processing purchase orders and setting up the online parental payment portal, in line with Trust policies and procedures
- The OM is responsible for the ongoing monitoring of income and expenditure related to the trip, chasing outstanding payments etc. The OM must discuss any outstanding monies and liaise with the Head Teacher as appropriate, in line with Trust policies.
- The OM, under the direction of the trip lead teacher and/or Head Teacher must formally instruct in writing, the central finance team of any financial support any pupil is entitled to such as Pupil Premium grant funding (PPG). This information will be recorded by the central finance team and the financial accounting system will be adjusted to reflect the monetary value
- There is an expectation that all trips and activities will breakeven, the exception being residential trips if they are partially funded by the academy
- Once the financial administration has been completed and all monies received, the FCO will issue an income and expenditure statement to the lead teacher and Head Teacher. This report will be reviewed during subsequent budget review meetings between the Head Teacher and finance team. If the trip has not broken even this will be investigated to understand the causes and reported to the Finance Director.

4 INCOME

The main sources of income for the Trust are the grants from the DfE and Coventry and Warwickshire Local Authorities.

The Finance Director, who is responsible for ensuring all grants due to the Academies within the Trust are collected, monitors the receipt of these funds via the central finance team and finance procedures.

Within the Trust, each academy collects income from parents or the public for:

- School meals
- Trips and residential visits
- Breakfast and After School Clubs
- Other miscellaneous income including school fund donations

The FCO is responsible for the monitoring and receipt of all funding into the Trust.

4.1 Lettings

The policy for lettings of premises is contained in a separate document. The policy and charges will be reviewed and approved by the Finance Committee on a bi-annual basis.

Academy OMs are responsible for maintaining records of bookings of facilities and for identifying the sums due from each organization/hirer. Invoices will be prepared monthly in arrears for these facilities.

4.2 Custody

All cash and cheques must be held in the academy office safe prior to banking. Banking will take place monthly or more frequently if the cash sum exceeds £1,000.

The OMs are responsible for preparing reconciliations between sums collected, the sums deposited at the bank and the sums posted to the accounting system. Reconciliations must be prepared and sent to the FCO in a timely manner to ensure the Trust bank account is reconciled and debtors' records are updated as appropriate, in a timely manner.

4.3 Debtors

- Debts under £500 may be written off at the discretion of the Deputy CEO
- Debts between £501 to £1000 may be written off by the CEO
- Debts greater than £1001 may be written off only with the approval of the Finance Committee
- Debts above the level as detailed in the funding agreement, must be submitted to the DfE for approval to be written off

The following debt recovery policy will be applied:

- If payment has not been received 30 days after invoice, a reminder will be sent automatically from the Trust finance system, within 7 days
- Academy office staff and/or central finance team as appropriate, will liaise with the debtor and send reminders, documenting the methods and ongoing dates of chasing the debt

- Once the debt is 60 days old, the OM will refer the debt to the Head Teacher and a plan of action may be put in place
- The central finance team will also identify any debts over 60 days and bring to the attention of the Deputy CEO as appropriate
- The Finance Director will, via the FCO undertake a debtor reconciliation and monitor progress of payment plans on a regular basis.

Any write-off exceeding the ATH Trust Handbook delegated authority limits (ATH, 2006, S5.20 -5.21) shall receive prior DfE approval before being actioned.

4.4 Bank Accounts

The opening of all bank accounts must be authorised by Finance Director who must set out in the Scheme of Delegation the arrangements covering the operation of accounts.

IET operates one current account and it is not anticipated that there would be a requirement to have more than one current account in operation.

In addition to the above current account, the Trust also has the below deposit investment accounts:

- 32-day term account
- 95-day term account
- Commercial Instant Access account

4.5 Deposits

Particulars of any deposit must be entered in a paying in slip and should include:

- The amount of the deposit and
- A reference, name of debtor or number of receipt

4.6 Payments and Withdrawals

All Bacs payments and other instruments authorising withdrawal from the Trust bank account must bear signatures in line with the Trust bank mandate and Scheme of Delegation.

4.8 Bank Reconciliations

The FCO must undertake ongoing bank reconciliations throughout the month in line with the Trusts "Security of Bank Reconciliations process guidance". Reconciliations are passed to the Finance Director as part of the monthly management accounts process and are subject to independent monthly review carried out by the Finance Director who will counter sign to demonstrate the internal scrutiny
- appendix 2.

4.9 Cash Forecasts – Going Concern
The Finance and Compliance Officer (FCO) prepares and maintains a rolling cash flow forecast to ensure that the Trust has sufficient funds available to meet its operational commitments and day-to-day expenditure. The forecast forms part of the monthly management accounts reported to the Chief Executive Officer (CEO), Finance Director, Executive Leadership Team (ELT), and Board of Trustees.

The cash flow forecast projects the Trust's expected cash position for a minimum period of twelve months and is reviewed regularly to identify any actual or potential liquidity issues. Together with the Trust's three-year budget forecasts and regular monitoring of financial performance, this provides Trustees with assurance regarding the Trust's financial sustainability and ability to meet its obligations as they fall due.

Based on this assessment, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and therefore consider it appropriate to adopt the going concern basis in the preparation of the Trust's annual financial statements.

4.10 Investments

Investments must be made in accordance with the reserves policy and the requirements of the Academy Trust Handbook. The Trust must ensure that investment decisions prioritise the security of funds over the maximisation of returns and that surplus funds are invested only where this does not compromise operational liquidity. Investments for a fixed term must receive prior approval from the Finance Committee. When considering an investment, the Trust must:

- Act within its powers to invest as described in its Articles of Association
- Exercise reasonable care, skill and diligence in making investment decisions, taking

professional advice where appropriate

- Ensure exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- Ensure investment decisions are in the Trust's best interests
- Invest only funds that are surplus to operational requirements, as demonstrated by approved budgets, reserves levels and rolling cash flow forecasts.
- Review the Trust's investment profile and performance regularly
- Ensure that sufficient cash resources remain available to meet all current and forecast liabilities as they fall due.
- Report all investments to the Finance Committee and Board of Trustees as part of the Trust's regular financial monitoring arrangements.

5 FIXED ASSESTS

All items purchased with a value of over £3,000 (capitalisation limit) must be entered in the Trust's Fixed Asset Register (FAR). Assets below the value of £3,000 will be charged to the income and expenditure in the year of purchase, unless they form part of a grouped asset category in accordance with the Trust's accounting policies. The FAR should include the following information:

- Asset description
- Asset number
- Date of acquisition
- Asset cost
- Source of funding
- Expected useful economic life
- Depreciation
- Current book value
- Location
- Name of member of staff responsible for the asset

The FAR helps to ensure that staff take responsibility for the safe custody and use of assets, acts as a deterrent against theft or misuse, supports effective asset management and utilisation, assists with replacement and capital investment planning and supports insurance claims in the event of loss, theft, fire, vandalism or other incidents.

The Depreciation rates approved by the Board of Trustees are as follows:

Buildings	-	2% straight line
Fixtures and Fittings	-	20% straight line
ICT equipment	-	33% straight line
Motor vehicles	-	25% reducing balance

The board shall review depreciation rates periodically to ensure that they remain appropriate and reflect the useful economic lives of assets.

5.1 Security of Assets

All items in the FAR should be permanently and visibly marked as the Trust's property, identifying academy location. There should be a regular annual count by someone other than by the person maintaining the FAR. Discrepancies should be investigated immediately and if significant reported to the Finance Committee.

5.2 Disposals

In accordance with the Academy Trust Handbook (ATH, 2026, S5.24) "*Other than land, buildings and heritage assets, trusts can dispose of other fixed asset without DFE's approval subject to achieving the best price that can reasonably be obtained, and maintaining the principles of regularity, propriety and value for money*".

Items which are to be disposed of by sale or destruction must be authorised for disposal by the CEO and where significant, should be sold through competitive tendering process.

Disposal of equipment to staff is discouraged, as it is difficult to evidence the Trust obtained value for money.

6 KEYS INVENTORY

The Keys inventory is the responsibility of the Site Service Officer (SSO) of each academy under the management of the CFO, delegated to the Trust Head of Estates. The Keys inventory should be maintained and kept up to date at all times. It is the responsibility of staff to report all lost and stolen keys to enable new security measures to be put in place and for the inventory to be updated.

7 ICT SYSTEMS

ICT contracts and service level agreements (SLAs) with external providers are in place and managed by the Trust's Head of ICT. The purpose is to protect key computer data and control features that include:

- Back-up procedures managed and in place
- Security management such as passwords, encryption, correct levels of access for staff
- Hardware fit for purpose
- Business Continuity and Disaster Recovery plans

8 REPORTING TO THE DfE AND COMPANIES HOUSE

8.1 Trust Budget

The Trust is required to submit a Board approved three-year consolidated budget annually to the DfE. This will be in the format prescribed by the DfE.

The CFO must ensure that the approved budget is supplied to the DfE in the required format by the deadline each year, summarising the planned income and expenditure for the forthcoming three

financial years i.e. September to August each year.

8.2 Budget Monitoring

The Trust will submit budget-monitoring return to the DfE, on a prepayment and accruals basis, in line with DfE requirements.

8.3 Annual Accounts

As a charitable company the Trust must comply with company law as set out in the Companies Act 2006. This includes a requirement to prepare a Trustees' report and financial statements ('annual accounts') and for these to be independently audited by a registered auditor.

Financial statements should be prepared to 31st August each year. They should include:

- Incoming resources from all sources receivable in the period
- Resources expended on all activities within the period
- All assets and liabilities of the Trust at the balance sheet date
- All cash received and expended within the period
- Notes to the accounts

The annual accounts must be submitted to the DfE by 31st December. The Trustees' annual report and audited final accounts must also be sent to Companies House by no later than 31st May (9 months after the end of the accounting year).

9 SELF-ASSESSMENT OF MANAGEMENT AND GOVERNANCE

Skills and Experience – the Chair of Finance Committee, the CEO and Finance Director will ensure that the members of the Finance Committee undertake an annual self-assessment in terms of skills, effectiveness, leadership and impact, to provide assurance on the adequacy of the Trust's arrangements for financial management and governance. (This will include appropriate financial training covering financial management, control, monitoring and reporting (ATH, 2026, S1.31).

As part of this assessment, the Trust should refer to:

- The features of effective governance in the Academy Trust Governance Guide (strategic leadership, accountability, people, structures compliance and evaluation)
- 21 questions for multi-academy trust boards published by the All-Party Parliamentary Group on Education, Governance and Leadership

The self-assessment will provide assurance to the Trust's AO that conditions of funding are being met, and that appropriate systems of control are in place.

10 RESPONSIBILITY

The Inspire Education Trust Board of Directors have a responsibility for the oversight of this and all policies within the Trust's academies and may delegate the implementation and review of this policy in accordance with our Scheme of Delegation.

Appendix 1

Scheme of Delegation - Managing Money

Authorising order for goods and services and authorising payments

Position	Limit/Restriction- Goods and Services	Limit/Restriction Authorising BACS Payments
Chief Executive Officer (CEO)	£100,000	N/A
Deputy Chief Executive Officer (DCEO)	£55,000	£600,000
Finance Director	£55,000	£600,000
Head Teacher	£25,000	
Head of Department/ Budget holder	Within budget allocation	
Central finance team		£600,000

Authorisation of travel/subsistence claims

Position	Staff claims to authorise
Chair of Board of Trustees	Chief Executive Officer
CEO	Executive
Deputy CEO	Head of ICT, Head of Estates, Finance Director, Head teachers, SLT Team Members
Finance Director	Central Finance Team
Head Teacher	All Academy Staff
Deputy Head Teacher	All Academy Staff
Head of HR	Central HR team

Input and authorisation of payroll changes

Authorisation to certify Payroll input documents	Staff to process and submit paperwork to Payroll
CEO	HR Staff, Office Manager
Head of HR	HR Staff, Office Manager
Headteacher	Office Manager HR Staff

Authorisation to write-off bad debts

Position		Limit/ Restriction
Deputy CEO		£500
CEO		£501- £1000

Finance Director		
Finance Committee		£1001 onwards
Secretary of State		Detailed in funding letter

VAT returns

Task	Who
Updating Suppliers details - VAT numbers, bank details to be verified and input to the Trust's finance systems	Central Finance Team
Accounting for VAT correctly - all VAT claimed must have a supporting VAT invoice	Central Finance Team
Submittal of VAT Returns and Control Account reconciliations	Central Finance Team under the direction of the Finance Director

Authorisations on the financial management information system

Position	Delegated by	Limit
CEO	Finance Committee	Up to £100,000
Finance Director	CEO	Up to £55,000
Head Teacher	CEO	Up to £25,000
Position	Delegated By	Authorisation of orders and invoices
Office Manager	Head Teacher by signed Requisition	£25,000

BACS payments

- Signatories: Two signatories required for every payment – from the list below

Bank Mandate Signatories	Finance Team Signatories
Chief Executive Officer Deputy Chief Executive Officer Senior Executive Assistant	Finance and Compliance Officer (FCO) Finance Business Partner (FBP) Finance Director

Uploading payments to Bacs: One inputter to upload payments to Bacs

Post	Finance Business Partner Finance Assistant

Interbank transfers & sweeping arrangements

- Approval of **manual** inter bank account transfers (current account to Investment accounts) two signatories required.

Any two Signatories	Finance Director, Finance Business Partner, Finance Compliance Officer

- **Automated sweeping**: Arrangement/ facility that transfers surplus balances from the current account to an overnight interest-bearing account and returns funds as required.

  Initial establishment, amendment, or closure of the arrangement must be approved by the Finance Director and reported to the Finance Committee. Once approved, individual daily sweep transactions generated automatically under the agreed arrangement shall not require separate dual authorisation, provided that the sweep operates within parameters approved by the Trust.

Appendix 2

Inspire Education Trust – Financial procedures BANK RECONCILIATION GUIDANCE Security of cash/cheques and other assets belonging to the trust

Financial controls are processes, policies and procedures that are implemented to manage finances. They play a role in achieving an organisation's financial goals and meeting obligations of management checks, statutory duty, financial robustness and regularity duties.

Financial controls in this process (BANK RECONCILIATION):

Control	Measure
Reconciliation	Balancing the system against a primary ensuring accuracy – document.
Processes	Following an expected process in a timely manner. Timely reconciliations assist early detection of any potential fraud or error and assist in robust financial administration. Ensuring completeness by undertaking a review of un-reconciled items.
Management	The counter signature will give management assurance that financial administration is up to date and that the banks' balance on the system is a true and fair view. Periodic sampling by internal audit will give the finance and audit committee assurance regarding adherence to process and accuracy of the cash position.
Arithmetic	The process of checking that the opening balance less payments and receipts match closing balance ensures financial accuracy.
Responsibilities	This process gives clarity that the FCO is responsible for ensuring that the bank reconciliations are completed correctly and avoids any potential misunderstanding or non-adherence to process.

TRUST EXPECTATIONS:

Finance and Compliance Officer (FCO)

- Monthly bank reconciliations are undertaken on a timely basis, no later than three working days after month end. Good financial practice should be followed to ensure ongoing reconciliations throughout the month (Xero having an automated link with the Trust's on-line banking system) to guard against potential fraud and error.

- Any delays in completing bank reconciliations must be reported by email to the Head of Finance or delegated appointee (Finance Business Partner) in their absence to ensure advice and support are given.

- The counter signature must be carried out by the Finance Director and in their absence the Finance Business Partner. The Finance and Compliance Officer is responsible for submitting the completed reconciliations to the Finance Director. This gives the CEO and Board of Trustees assurance on the robustness of the Trust's financial banking administration. Ideally no later than three days after the reconciliation has been completed. If the Finance and Compliance Officer is outside this process for any reason, they must update the Director of Finance as soon as possible

Counter Signature checks:

- Opening and closing balances match the bank statement
- Statement numbers on the bank statements have no gaps
- Compliance Officer signature and date
- Reconciliation has been undertaken within the timescale
- Unreconciled items

POST RECOINCILIATION

Once the reconciliation has been completed, the Finance and Compliance Officer must look at the unreconciled items report and investigate any items that are outstanding. This process will highlight any potential income duplicates and questions why payments have not reached a supplier's bank. This is an additional financial control in the reconciliation process.

Any suspicious activity must be dealt with swiftly and by the Finance and Compliance Officer and it must be communicated to the Finance Director immediately. Additionally, the communication flow must continue until resolution. Any other discrepancies such as overpayment, incorrect bank account details, duplicates and shortfalls must also be taken to the attention of the Head of Finance.

SUPPORTING DOCUMENTATION

Any supporting documentation attached to the bank reconciliation must be relevant and accurate.

COMPLETED RECONCILATIONS

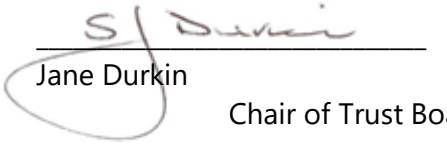
All completed reconciliations must be filed in the statutory audit file for financial year end audit purposes. In addition to the bank statement and reconciliation, the Finance and Compliance Officer should maintain any action notes related to the Unreconciled Items report. This needs to be done on a timely basis and should be done as part of the reconciliation process.

Reviewed by:	Heriate Mahachi	July 2026
Senior Lead Review:	Lois Whitehouse	July 2026
Next Review Date:		September 2027
Approved by Directors:		21.10.26

Signed:



Alice Wright
Chair of Finance



Jane Durkin
Chair of Trust Board