

Finance Procedures Manual

Updated May 2023

Purpose

To support the Finance & HR Team across the trust to adhere to Veritas MAT Finance Policy and ensure consistency of processing in schools.

Contents

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1. Executive Group support

The Trust Executive Group provide support to finance staff at school level as well as HTs and senior leaders to ensure that all have the appropriate skills to manage their financial responsibilities. A number of processes are completed centrally such as:

- Setting up of accounting software
- Setting up of Budget Planning Software
- Budget Setting (including coordinating the budget application process for subject leaders, providing staffing calculations and detailed costing for all income and expenditure areas). Managing the process for schools, consolidation of all sub budgets and the approval process for the trust
- Oversee Payroll Reconciliation
- Providing calculations relating to staffing appointments/changes
- VAT consolidation and submission
- Running and scrutinising Monthly Monitoring Reports (for circulation with Finance Team, HT/DHT, CEO and CoT)
- Working with the team to make any required adjustments
- Termly meetings with School senior leaders
- Managing Conditions Improvement Funding (CIF projects) and associated finances and monitoring
- Reporting to the RGB and Trust Board
- Closing down the Financial year on Accounting and Budget Planning Software
- Co-ordinating audit requirements
- Reviewing updated material from the DfE and ESFA to inform strategic planning
- Submitting returns to ESFA (such as Annual Accounts Return, Budget Forecast Return and Outturn Report, , Land & Buildings Collection Tool, Asbestos Management Plan and all grant submission returns
- Quality Assurance of compliance across the Business Team
- Working with the Governance Teams to create and nurture the vision & values of the trust and put into practice their strategic plans

2. Documents to support the finance function

Academy Trust Handbook

Updated annually by the DfE - <https://www.gov.uk/guidance/academy-trust-handbook>

DfE

Guidance and videos & webinars available to guide on a range of Finance processes

<https://www.gov.uk/government/publications/academy-trust-financial-management-good-practice-guides>

Kelsi

Kent guidance on schools finance - provided by Schools Financial Services

<https://www.kelsi.org.uk/school-finance/financial-support-and-planning>

Please take into account that a lot of guidance on Kelsi relates to Local Authority run schools. Please check for appropriateness.

Veritas MAT - Trust Business Manager

SBM Paper - Managing Resources and Risk. Please refer to this paper for more guidance on a range of topics related to the business areas in schools. Appendix 1 (separate document).

Dates & Deadlines	Date	To whom	Notes
Audit and Compliance	See audit schedule (appendix 3)	TBM to coordinate the responsibilities of the Business Team	The 'Every' portal is populated with all statutory compliance tasks and associated work.
BACS runs	Fortnightly schedule in place (adjusted for school holidays) (See appendix 2)	TBM and 2 x Exec Team Business Managers to approve school and trust payments. F&HR Team to process, ensuring separation of duties.	<i>The fortnightly schedule are intended dates which will be adjusted in line with need.</i>
Budget applications	May/June	Forms to be submitted to AM	Staff will be emailed with instructions on the current year's process
Fixed Assets	The 'Every' portal is used to record all assets and disposals. Includes all furniture items and IT equipment and any items of significance. Annually, this will be reviewed to gather valuation and depreciation data.	Finance and Infrastructure teams to work collectively to ensure new items are added. Annual audit of inventory to take place during the Summer holiday. (Infrastructure Team) Year end audit reports (F&HR Team)	All staff to inform Infrastructure team of any disposals and changes to location of items
Investment	Monthly reconciliation		32 Day Reserve A/c (during period of investment)
Leasing	Lease dates to be populated in 'Every' to prompt review dates	Costs of leases to be added as commitments on Finance software.	No new Leases to be entered into without Trust approval. Examples, Photocopier devices, Minibuses, L.E.D. lighting.
Payroll	Cut off dates for additional payments. (To follow Dataplan schedule).	Authorisation to be obtained prior to submittal by Team Leader and or HT (as appropriate locally).	Claims to be made to F&HR using appropriate form
Purchasing	Approved Suppliers Ordering process Contracts Renewals All F&HR Staff to be aware of	Approvals	See also, Summer orders and General orders

	Competitive Tendering regulations for Public organisations.		
Purchase Orders - Summer Orders	18 June	For delivery the following week. Delivery and invoicing needs to be complete by the end of term	Orders must be authorised by Team Leaders / Subject Leaders prior to submittal
Purchase Orders - General Orders	On-going	Orders should be submitted in writing, authorised by the appropriate budget holder and or Headteacher if necessary (see finance policy).	Orders will be dealt with as quickly as possible but during peak periods this may take longer. We will aim to process all orders within 2 weeks. Delivery times will vary according to the supplier. <i>Update - during Covid-19 an online ordering system has been implemented to support remote working and shared team access to cover absence.</i>
Reimbursements	26th June	To finance@ at each school (Food items for Y6 celebrations are the only exception)	Wherever possible items should be ordered through the Finance and HR Team
Notes to prompt future consideration: Prom photos - £600 - provider must take electronic payment Classroom resources - receipts often produced close to end of term Locker deposits Y6 production Class rewards School Disco - for Oscars End of term refreshments Book vouchers SWC	This is a developing document for future review		

3. Finance Coding Structure

The coding structure for all schools is aligned, using the DfE Chart of Accounts, along with tracking codes for our local reporting need. A shared file is available detailing all codes for regular purchases. This is a dynamic document updated as required.

4. Filing Structure

Filing across schools should be aligned to enable easy access to documentation for trust staff and auditors.

Since moving to Xero and ApprovalMax, much of the trust's documentation and approval audit trail is held within the fully e-based system.

Any F&HR related supplementary documentation is held within the restricted access SharePoint site

4. Transactional processes

Current practice:

Purchase Orders

- Orders placed by Subject/Team Leaders (budget holders) using ApprovalMax linking directly into the authorisation process, which seeks further approval from HT/TBM as appropriate
- Orders placed by Finance Team
- Items verified as delivered by recipient
- Invoices processed by Finance Team

Bank Payments

- BACS processed by Finance Team
- BACS approval using bank portal – 2 x Exec Team approvers (if either is a recipient this is highlighted with the 2nd approver or ideally an alternative approver invited to authorise). Approvers to review bank portal and supporting evidence in Xero to quality assure accuracy of processing and coding.

Month end

- Bank stmt reconciled on accounting software and month end reports produced, including:
 - Bank Reconciliation Report
 - Management Accounts incl Balance Sheet, Cash Summary and Profit & Loss
 - Detailed and Summary Budget Monitoring Reports for all entities
 - Detailed and Summary Budget Monitoring Reports consolidated

These reports are shared with CoT/CoTBG/CEO/HTs/ Exec Support and F&HR Team as relevant to role. TBM will complete checks and verify via a Flow approval with CoT.

VAT submission

VAT reports are consolidated and submitted on a monthly basis and income distributed back to schools. Claims and reimbursement are checked and signed by TBM (as CFO).

5. Financial calendar

<https://www.gov.uk/government/publications/academies-planning-calendar>

Audit Planning dates – See appendix 2

6. Authorisation protocols

Orders	Approval	Quality Assurance
Budget holders to place orders in line with SIP and affordability	Budget Holder – (Subject Leader Team Leader, Caretaker/Site Mgr, Finance Asst, HT, TBM, CEO)	Collated orders shared with HT & TBM for final approval
Banking		
Invoices checked for accuracy by the Finance Team and processed BACS payments scheduled (approx fortnightly)	TBM/Exec Business Managers to check internal document files and approve payments both internal system and via banking portal	TBM to quality assure all aspects of the banking process and make regular checks of account balances
Month End		
<ul style="list-style-type: none"> • Bank Reconciliation Report • Management Accounts incl Balance Sheet, Cash Summary and Profit & Loss • Detailed and Summary Budget Monitoring Reports for all entities • Detailed and Summary Budget Monitoring Reports consolidated 	Reconciliation completed and documentation produced by Finance Team. All month end documentation is checked by TBM to ensure that the accounting system and actuals match and that financial processing is in line with audit requirements.	<p>These reports are shared with CoT/CoTBG/CEO/HTs/ Exec Support and F&HR Team as relevant to role. TBM will complete checks and verify via a Flow approval with CoT.</p> <p>Financial reports discussed:</p> <ul style="list-style-type: none"> • School/Exec Business Meetings x 6 (CEO/HT/DHT/F&HR Team) • Trust Business Group Meeting x 6 (CoTBG) • CoT/CFO Monthly Meeting (CoT)
VAT		
Monthly reports are consolidated by Trust F&HR Asst and claim submitted to HMRC	Claim documentation checked and approved by TBM (as CFO) prior to submission	TBM to ensure Y-E is reported accurately
VAT reimbursement Consolidated income processed by Trust F&HR Asst and reimbursed to schools via bank internal transfer	Approval of internal transfer verified by TBM	TBM to ensure Y-E is reported accurately
Staff Contracts Before an appointment takes place, Trust Executive Group to confirm that this is in line with future budget considerations and that it is set at the appropriate salary scale.	HT/DHT to discuss with CEO & TBM via School Business Meetings (held at least termly)	Contractual paperwork to be signed by TBM/CEO

Veritas Multi Academy Trust

Academy Services Dates and Deadlines

MAY	02/05/2023	Deadline to Submit EOYC and Information to Auditors
MAY	23/05/2023 – 24/05/2023	Teachers' Pension Visit
SEPTEMBER	29/09/2023	Deadline to Submit Audit Pack & Trustees Report to Auditors
NOVEMBER	06/11/2023 – 10/11/2023	Final Audit Visit
DECEMBER	TBC	Estimated Trustees' Meeting