



# Finance Policy

Director of HR and Associate Teams | April 2025

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Minsthorpe Community College: A place where everyone plays a part in strengthening our learning community through Motivation, Commitment & Care.



**Minsthorpe**  
Community College

## Section 1

# Objectives

The objectives of this policy are to set guidelines for the establishment of sound and effective financial procedures by complying with the current financial regulations and adopting good working practices such as:

- establishing proper financial management arrangements and accounting procedures, in line with DfE recommendations;
- maintaining a reliable system of internal controls;
- ensuring that resources are properly allocated and that the principle of best value is adopted;
- outlining the areas of responsibility within the college;
- Ensuring that the requirements of accountability are fulfilled

The college aims to operate in transparent, ethical and accountable ways in which to promote effective management. This document has been adopted by the Board of Governors as the basis for the administration and management of finances.

## Section 2

# Strategies for Implementation

### Board of Governors

- ensuring that the college's finance is managed effectively
- approving and monitoring the budget.
- establishing the financial limits of delegated authority in line with the Academies Finance Handbook
- establishing the Terms of Reference for the Resources Committee. The Resources Committee has delegated powers to make decisions and report back to the Board of Governors.



## The Board of Governors Resources Committee

The Resources Committee has delegated responsibilities approved by the Board of Governors for the following aspects of Financial Management:

- strategic planning
- providing appropriate policies
- assisting/preparing the annual budget for approval and ensuring that this approval of the budget is minuted in the Governors minutes;
- regular monitoring of the financial position of the College;
- authorisation of expenditure over £25,000. The Principal can approve expenditure up to £120,000. Expenditure over £120,000 must be approved at a Governors meeting
- tenders for contract services
- keeping in-college financial procedures under review via Responsible Officer termly audits
- maintenance and review of the Finance Policy
- ensuring links to the College Strategic Plan
- ensuring a full annual audit is conducted using external auditors

## The Principal (Accounting Officer)

The Principal (Pr) is identified as the accounting officer who is appointed to be personally responsible to the governing body for:-

- Ensuring regularity and propriety
- Ensuring prudent and economical administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resources
- The day-to-day organisation, staffing and management of the academy

Governors have appointed an Associate Team Leader – Finance (ATLF) to manage the finances. The Pr should ensure that:

- The Resources Committee is provided with financial advice through the work of the Director of HR and Associate Teams and the Associate Team Leader – Finance.
- Proper and adequate financial systems and controls are in place
- Accounts are prepared and maintained as required by the Resources Committee and the ESFA
- He/she delegates the day-to-day financial management to the ATLF while retaining ultimate responsibility.
- Team leaders (CTL's, CCTL's, and others as appropriate) are responsible for curriculum budgets assigned to them

## Cheques and BACS

Two signatures are required for the approval of expenditure by cheque or BACS.

The Board of Governors has authorised four possible signatories, any two of whom may authorise such payments:

- The Joint Principals
- Director of HR and Associate Teams
- Assistant Principal



## Section 3

# Budget Planning

The budget forms part of the College Strategic Plan. By identifying and allocating financial resources, the college prioritises its targets and objectives and facilitates the achievement of its educational aims.

The ATLF will prepare the budget ensuring that planned expenditure, staffing costs, additional projects and other known expenditure and income are included in the figures.

The ATLF will produce a 3-year plan ensuring information is as accurate as possible.

The ATLF will also produce regular management accounts each month emailed to the Resources Committee showing up to date information and ensuring that transactions are accurate.

The ATLF will ensure that appropriate returns are made to the ESFA.

## Section 4

# Purchasing

### 4.1 Procedures

- Purchasing procedures have been put in place to ensure that the college follows the fundamental principles of probity, accountability and value for money
- Segregation of duties is used whenever possible: Purchase Orders are placed by members of staff and authorised by Curriculum Team Leaders (CTLs), SLT, Team Leaders, staff in charge of budgets and the ATLF once he/she is satisfied that sufficient funds are available to place the order
- The order is raised via the Finance Team (FT) using SAGE accounting package.
- It may not, however, always be possible to have complete segregation of duties due to the limitation of staffing arrangements
- The college is careful to apply the principles of best value for money by using known suppliers with proven capacity to provide quality, quantity and timely delivery at a competitive price.
- Non-order invoices are discouraged as much as possible. Purchasing items by telephone orders should always be authorised beforehand and supported by the issue of an official order.
- Under no circumstances should alcohol be purchased using college funds.
- Authorised staff are responsible for the management of their budget within the limit of their budget. Any issues should be picked up by the ATLF through routine monitoring and raised with the budget holder to minimise overspend.



- All purchases estimated to be above £120,000 should be put to tender. The Pr and The Director of HR and Associate Teams ensure that at least three contractors are invited to submit tenders.
- It may not always be possible to source three quotes for purchases or tender purposes. In these cases, a written report should be made to the Resource committee clearly stating the reasons why.
- The Board of Governors must maintain a register of business interest for each member of the Governing Body and the PR as a standing item on the agenda for each meeting. An opportunity to declare business interests will be on the agenda of all meetings of the committees.

## 4.2 Payment of Invoice

- Invoices are processed by the Finance Team once approval has been sought from the budget holder to ensure goods have been received. On receipt of invoices the FT will attach an authorisation slip to enable the budget holder to authorise.
- The person receiving goods (in most cases this will be the budget holder) should act as the Certifying Officer and must sign the authorisation slip. This certification means that:
  - The goods supplied, work done, or services rendered have been satisfactorily carried out and order complied with;
  - The charges are correct and in accordance with quotations or contracts;
  - All appropriate discounts have been claimed (every effort should be made to ensure that discounts are not lost) i.e. discounts for early payment;
- The FT will pay the invoice using SAGE accounting software. Where possible all payments are made by BACS.
- Cheques are signed by two of the following staff members: Joint Principals, Associate Principal or The Director of HR and Associate Teams.
- BACS payments are raised by the FT using the accounting software and HSBC BACS payment facility. All payments require two authorisers from Pr, Finance team or ATLF. Once authorised the paperwork must be signed by one of the above authorised members of staff.
- Items over £2000 should be added to the asset register
- Any VAT recoverable on the payment is identified and expenditure coded accordingly

This authorisation means that:

- The invoice has been correctly certified and coded;
- The invoice has not been previously paid.
- The expenditure is covered by an approved budget provision.  
All invoices should have the cost centre and expenditure code, written in the boxes provided on the authorisation slip.
- There is clear segregation of duties

## 4.3 Petty Cash/ Re-imbusement to Staff

- Monies should be kept locked in the safe.
- Petty cash tin balance should not exceed £500 in total. All expenditure should be supported by receipts, identifying any VAT paid. Payment from the petty cash fund



should be limited to minor items, which have been approved in advance by the Budget Holder or the ATLF. Petty cash expenditure on individual items should not exceed £20. All petty cash transactions must be signed by an authorised signatory.

- Items purchased by staff using their own funds under £20 will be reimbursed by cash. Amounts over £20 will be reimbursed by BACS. Proof of purchase must be provided (credit card receipt/scrap paper is not acceptable).
- Petty cash receipt voucher must be completed and authorised by the budget holder

#### 4.4 Mileage claims

- Mileage claims must be claimed using the appropriate claim form available from the FT or on Edupay.
- The Director of HR and Associate Teams approves all claims.
- Payment is made via payroll
- The amount agreed for reimbursement is 45p per mile for all staff.

#### 4.5 Appendix B □

Appendix B – Purchasing Guidelines for staff should be read in conjunction with this policy

## Section 5

# Good Practice

The following guidelines should be followed when handling cash:

- avoid counting cash in public;
- avoid leaving cash unsecured in an unattended area or room;
- use the fire-proof safe to store large amounts of cash;
- give receipts for cash received from students or on request

Petty cash reimbursements and cheque payment reimbursement claims:

Claims presented within a different financial year from the date on the receipt will not be authorised.



## Section 6

# Income

- Income must be banked at least once a week or more often to ensure the insured £3000 cash level is not exceeded.
- Cash received should be counted promptly, by a member of the Finance Team and put away in the safe.
- Trip money must be entered onto School Fund Manager against student names to ensure an audit trail for accurate payment management
- Students must be given a receipt for all income paid
- Members of the public should either be given a receipt from School Fund Manager or handwritten from a receipt book for cash paid to the college.
- Surplus balances on trips must not exceed £5 per student. A higher figure will require reimbursement.

## Section 6

# Reconciliation of Accounts and Management Reporting

- The college needs to monitor its financial progress continually and report on it to various bodies, such as the Board of Governors and DfE
- The ATLF also needs to complete various returns/claims in relation to income and expenditure such as VAT, GAG and end of year accounts eg Budget Forecast Return Outturn, Budget Forecast Return.
- The lists of reports, claims and returns and their submission deadlines are defined by the DfE.



## Section 7

# Depreciation

- The college will prepare a depreciation policy
- The agreed figures for depreciation are
  - 10% over 10 years for plant and machinery
  - 20% over 5 years for fixtures and fittings
  - 33.3% over 3 years for IT

## Section 8

# Lettings

The college will prepare a lettings policy and price schedule.

## Section 9

# Asset Register

- The Board of Governors is responsible for the safe custody and physical control of stores and equipment and is required to monitor the inventory of portable, non-capital assets.
- The ATLF is responsible for ensuring that assets under his/her control are correctly recorded in the Asset Register
- The Asset Register is checked (at least annually) and maintained, by the ATLF. The Associate Team Leader IT Services maintains the IT register and the electrical register.
- Write-offs and disposals of assets are only authorised by the Pr or the ATLF (up to £2,000) and by the Resources Committee (over £2,000).

## Section 10

# Insurance

- The college is insured for buildings, content, employer and personal liability, car and engineering under the ESFA insurance scheme.
- All staff are responsible for safeguarding their own personal assets.
- All valuable items are kept secure wherever practicable
- Attempts are made to keep valuable items as secure as possible against theft.
- Loans of equipment must be for college use only



- The college can loan equipment to another school; however a hire form must be signed by the ATLF and the school loaning the equipment.
- The college will not maintain more than £3000 cash, in total, on the premises

## Section 11

# Staff Appointments

- The governing body has approved a personnel establishment for the academy. Changes can only be made to this establishment with the express approval in the first instance of the Resources Committee who must ensure that adequate budgetary provision exists for any establishment changes.
- The Pr has the authority to appoint staff within the authorised establishment except for Vice Principals whose appointments must follow consultation with the governors. The Director of HR and Associate Teams maintains personnel files for all members of staff which include contracts of employment. All personnel changes must be notified, in writing, to the ATLF/FT immediately.

## Section 12

# Payroll

The main elements of the payroll system are:

- staff appointments
- payroll administration
- payments
- HMRC returns
- Pension Scheme administration and payments

## Section 13

# Payroll Administration

- The academy payroll is administered by the college finance office using the Edupay payroll system. The college is responsible for all payroll issues including the management of the Teacher Pension scheme and the WYPF for support staff. Access to the system is limited to The Director of HR and Associate Teams, ATLF and the finance team and is password controlled. Password control procedures and backup arrangements are described in System Access section of this policy.



- Support staff are paid on the 15th of each month directly into bank accounts. Teaching staff are paid on the 29th of each month directly into bank accounts. A master file is kept for each employee which records:
  - salary
  - taxation status;
  - any deductions or allowances payable
- The FT will produce a monthly payroll report showing the total cost to the College broken down by individual employees and by category of employee. This must be printed, checked by ATLF and authorised by the Pr. The signed copy must be stored in a locked filing cabinet
- A net pay check (first and final draft) must be made by the ATLF prior to formally approving payroll.
- The college will ensure employee records are maintained including documented paperwork relating to contracts.

## Section 14

# Audit

The Responsible Officer (RO) is appointed by the governing body and provides governors with an independent oversight of the academy's financial affairs. The main duties of the RO are to provide the governing body with independent assurance that:

- the financial responsibilities of the governing body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained and
- financial considerations are fully taken into account in reaching decisions.

The Responsible Officer will undertake a termly programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by the Board of Governors. A report of the findings from each visit will be presented to the Resources Committee.

Detailed guidance on the transactions to be checked by the RO are those recommended by the EFA.

## Section 15

# Accounting System

All the financial transactions of the academy must be recorded on the SAGE accounting system. The system is operated by the Finance Office and consists of:

- Journals
- Nominal Ledger Code
- Transaction
- Purchases Ledger
- Sales Ledger



- Payroll Journal
- Automatic update
- Manual update
- Balance Sheet

## Section 16

# System Access and Backup

### Access

Entry to both the payroll and accounting system is password protected. Access to the systems are restricted to The Director of HR and Associate Teams, ATLF, FT and IT Services staff for maintenance. The ATLF is responsible for setting access levels for all members of staff using the systems.

### Backup Procedures

The Associate Team leader - IT is responsible for ensuring that there are effective back up procedures for the system. Data is stored and backed up on a server located in the Science Block. This process should be completed daily.

Back up data files are stored off site.

The college have prepared a disaster recovery plan in the event of loss of accounting facilities or financial data.



## Final Section

# Equality Assessment

This policy has been assessed with regard to its impact on equalities issue, with specific reference to the aims of the Equality Act 2010. The equality impact assessment focused on race, gender, disability, pregnancy and maternity, age, sexual orientation, gender identity and religion/belief.

## Policy Review Schedule

| Policy last reviewed: | Due for next review: | Role Responsible:                  |
|-----------------------|----------------------|------------------------------------|
| Spring 2025           | Spring 2026          | Director of HR and Associate Teams |



## Appendix A – Scheme of Delegation

# Minsthorpe Community College - Scheme of Delegation

Our scheme of delegation sets out how financial accountability and decision-making works within our trust. It details which approvals the full governing body, governance committees and the Principals are responsible for. As set out in the Academy Trust Handbook. The scheme is approved by the full governing body and exists to maintain robust internal controls. It is reviewed annually.

| Approval Summary   | Full Governing Body | Resources Committee   | Pay & Personnel Committee | Principals                                   | Chief Financial Officer | Director of HR | Finance Team  | Budget Holders |
|--|---------------------|-----------------------|---------------------------|--|-------------------------|----------------|---------------|----------------|
| <b>Annual Budget</b>   | Final Approval      | Approves & Recommends |                           | Approves & recommends to Resources Committee | Prepares                |                |               |                |
| <b>Three-year budget</b>   | Final Approval      | Approves & Recommends |                           | Approves & recommends to Resources Committee | Prepares                |                |               |                |
| <b>Business Plans (costed plans for future/additional improvements)</b>      | Final Approval      | Approves & Recommends |                           | Approves & recommends to Resources Committee | Prepares                |                |               |                |
| <b>Monthly Budget Forecast Return Outturn</b>                                |                     | Approved Termly       |                           | Approves & recommends to Resources Committee | Prepares                |                |               |                |
| <b>Capital Budget</b>  |                     | Approved Termly       |                           | Approves & recommends to Resources Committee | Prepares                |                |               |                |
| <b>Purchasing</b>  | Final Approval      | Over £120k Approves   |                           | Between £25k-£120k Approves                  | Under £25k Approves     |                | £1K and under | Order Form     |
| <b>Approving/Sign Off Contracts/Leases (Chair/Principal/CFO signatories)</b> | Final Approval      | Over £120k Approves   |                           | Between £25k-£120k Approves                  | Under £25k Approves     |                |               |                |
| <b>Academy Repair &amp; Maintenance Budget</b>                               |                     | Over £120k Approves   |                           | Between £25k-£120k Approves                  | Under £25k Approves     |                |               |                |
| <b>Asset Disposal</b>  |                     | Over £120k Approves   |                           | Between £25k-£120k Approves                  | Under £25k Approves     |                |               |                |



|  |                                 |                          |          |  |                 |            |          |  |
|--|---------------------------------|--------------------------|----------|--|-----------------|------------|----------|--|
| <b>Debt recovery</b>   |                                 | Over £10k Approves       |          | Under £10k Approves                          | £1k and under   |            |          |  |
| <b>Cheque/BACS Signing (Must be 2 bank signatories)</b>              |                                 |                          |          | Signs BACs run                               | Checks BACs Run |            | Prepares |  |
| <b>Changes to Trust Pay scales &amp; Pay Policies</b>                | Final Approval                  | Approves & Recommends    |          | Approves & recommends to Resources Committee | Prepares        | Prepares   |          |  |
| <b>Appointments within Staffing Structure</b>                        | Approves Principal Appointments | Approves LT Appointments |          | Approves up to LT level                      |                 | Prepares   |          |  |
| <b>Bonus/Ex-Gratia/Honorarium Payments (Within policy framework)</b> |                                 |                          |          | Approves                                     | Prepares        | Recommends |          |  |
| <b>Contract Instructions to Payroll (only from signatory list)</b>   | Approves if Principal           |                          |          | Approves                                     | Prepares        | Recommends |          |  |
| <b>Staffing Re-Organisations &amp; Related Staffing Budgets</b>      | Final Approval                  |                          |          | Approves                                     | Prepares        | Recommends |          |  |
| <b>Teachers &amp; Support Staff Pay Policies</b>                     | Final Approval                  |                          |          | Recommends                                   |                 | Prepares   |          |  |
| <b>Annually Reviews Leadership Pay in line with STPCD</b>            | Final Approval                  |                          | Approves | Recommends                                   |                 | Prepares   |          |  |

