

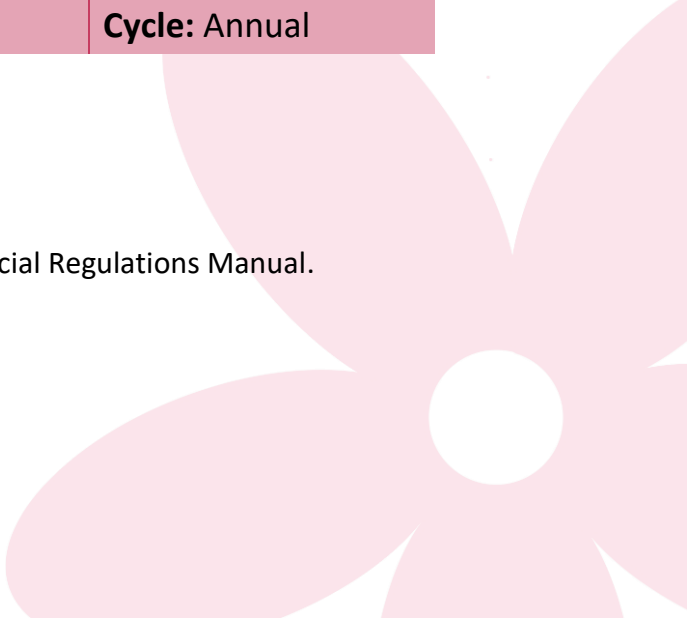


# Fioretti Trust

## Financial Policy and Procedures

<b>Approved by:</b>	FAR Committee	<b>Date:</b> 4 March 2025
<b>Last review:</b>	24 September 2024	
<b>Next review:</b>	September 2025	<b>Cycle:</b> Annual

This policy supersedes all previous Financial Regulations Manual.



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## 1. Aims, Scope and Principles

This policy aims to clearly define and document effective financial control and procedures for Fioretti Trust and the academies. It sets out the expectation for financial compliance.

The Board of Trustees (“the Board”) of Fioretti Trust recognise their responsibility to ensure the financial affairs of the Trust are managed in a competent and professional manner.

This procedures manual outlines the overall responsibilities of the Board to deliver value for money, financial control, accurate and complete financial reporting as well as sound financial planning to demonstrate ongoing sustainability for Fioretti Trust.

This procedures manual is applicable for all locations within Fioretti Trust including the central administrative function.

The Board must ensure that there are adequate internal controls in place. There are a number of controls that should be applied by the Board; in practice, this will be through the:

- Board of Trustees/sub committees
- Chief Executive Officer (Accounting Officer)
- Chief Finance Officer
- Senior Leadership Team
- Headteachers and Heads of School
- Budget Holders

The Board will consider:

- Staff expertise
- Segregation of duties
- Documentation
- Register of business interests
- Financial Accounting system and records

## 2. Financial Management Structure

To meet the financial management and internal control objectives outlined above and its wider responsibilities to the Department for Education, Fioretti Trust’s finances will be managed within the following organisational structure:

### 2.1 Board of Trustees

The Board has ultimate responsibility for Fioretti Trust’s finances and has put into place the following organisational structure to ensure this responsibility is effectively met. The main responsibilities of the Board are prescribed in the Master Funding Agreement between the Trust and the DfE. The main responsibilities include:

- Ensuring that the General Annual Grant (GAG) is used for the purposes intended
- Approval of the annual budget
- Monitor monthly management accounts

- Approve the scheme of delegation recommended by the Finance, Audit & Risk (FAR) Committee
- Appointment of the Chief Executive Officer
- Appointment of Senior Leadership Team members
- Establishment of the Finance, Audit & Risk Committee, setting and varying its terms of reference and reviewing its work.

## **2.2 Finance, Audit & Risk Committee (FAR)**

The FAR Committee has been established with agreed terms of reference. The committee oversees the financial affairs and audit requirements of Fioretti Trust and reports as appropriate to the Board. The remit of the committee will cover all academies within Fioretti Trust as well as the trust structure. The Chair of the FAR committee is a Board Trustee and other members of the committee are appointed by the Board.

The Committee also has oversight of internal scrutiny across finance procedures, funding compliance and operational compliance and reports to the Board highlighting any concerns on compliance.

## **2.3 Accounting Officer**

The Chief Executive Officer is the Accounting Officer (AO). The AO is responsible to the Board of Trustees for ensuring regularity and propriety, and for the economic, efficient, and effective use of resources (i.e., ensuring value for money), and administration of the financial affairs of the academies within the Trust. The AO may delegate or appoint others in carrying out these responsibilities. The role of Accounting Officer and Chief Financial Officer should not be occupied by the same person.

## **2.4 Chief Finance Officer**

The main responsibilities of the Chief Finance Officer are:

- The day-to-day management of the financial issues including the establishment and operation of a suitable finance system.
- Establishing a regular framework of financial review at the individual academy level including regular meetings with the academy Headteachers/Heads of School.
- The management of Fioretti Trust's financial position at a strategic and operational level.
- Establishment and review of effective systems of internal control.
- Ensuring the annual accounts are properly presented and supported by financial records.
- Monitoring Academy level financial reports.
- Monitoring cash flow.
- Preparation of consolidated monthly management reports and accounts.
- Preparing the draft and final three-year budget for approval by the Chief Executive Officer prior to approval by the FAR Committee and Trust Board.
- Monitoring and authorising transactions in accordance with Fioretti Trust's financial scheme of delegation and tendering procedures, ensuring all procedures in this policy are adhered to.
- Ensuring forms and returns are sent to the ESFA in line with the published deadlines.
- Operating a central treasury function for Fioretti Trust.
- Manage the Fioretti Trust finance team.

## 2.5 Headteacher/Head of School

The Headteacher/Head of School is responsible for delivering their individual academy plan within the budget approved by the Board. They are also responsible for the internal financial controls within their individual academy. Much of the responsibility can be delegated to the Chief Finance Officer but the School Head still retains responsibility for:

- Authorising transactions according to the Fioretti Trust finance scheme of delegation and tendering procedures.
- Managing the Academy's delegated funding.
- Monitoring and approving monthly management accounts.

## 2.6 Budget Holders

The main responsibilities of Budget Holders are:

- Managing individual budget allocations within the budget approved by the Board.
- Monitoring and authorising transactions in accordance with Fioretti Trust's financial scheme of delegation and tendering procedures, ensuring all procedures in this policy are adhered to.
- Maintaining sound systems of internal control.
- Ensuring all published deadlines are met to assist with the financial reporting process.

## 2.7 Other Staff

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

## 2.8 Internal Scrutiny

The main purpose of the internal scrutiny process is to provide the Board with assurance that:

- The financial responsibilities of the Board are being discharged.
- Resources are being managed in an efficient, economical and effective manner.
- Sound systems of internal financial control are being maintained.
- Financial considerations are fully taken into account in reaching decisions.

The Chief Finance Officer has the authority to agree a planned programme of reviews and will report the findings to the FAR Committee.

## 2.9 Register of Interests/Related Parties

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions that they make. To avoid any misunderstanding that might arise, all Board members, Local Governing Board members and staff with significant financial and spending powers are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. The register is open to public inspection.

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

The existence of a register of business interests does not, of course, detract from the duties of Board members, Local Governing Body members, and staff to declare interests whenever they are relevant to matters being discussed by the Board or Local Governing Board or any duly established committee. Where an interest has been declared, those involved should not attend that part of any committee or other meeting.

All Board members, Local Governing Board members and relevant staff must complete a declaration of their business interests on Governor Hub. Each declaration will be held in the Register of Business Interests, and it is the responsibility of the Board and each LGB to keep these declarations up to date and a full review must be completed annually.

If any Board Trustee or Local Governing Board governor has the intention to trade with the Trust, this must be registered and agreed both with the Board and ESFA prior to the commencement of any transactions. The trustee/governor will be subject to the latest Academies Trust Handbook which states that all Related Parties must be disclosed to the ESFA, using the ESFA's online form, with contracts or agreements above £40,000 requiring prior approval from the ESFA.

### 3. Financial Planning

Fioretti Trust prepares three-year budget forecasts.

The budget is prepared as part of the development planning process. The development plan indicates how Fioretti Trust's educational and other objectives are going to be achieved within the expected level of resources over the next three years.

The Fioretti Trust development plan provides the framework for the Trust three-year budget. The budget is a three-year statement of the expected resources available and the planned use of those resources for the following year.

There will be a three-year budget prepared for each Academy; these will be consolidated before submission to the FAR Committee for approval and recommendation to the Trust Board within published deadlines.

### 4. Financial Reporting & Internal Scrutiny

#### 4.1 Financial Reporting

To meet the financial compliance needs of Fioretti Trust, a reporting timetable and an annual framework of review will be issued by the Chief Finance Officer (included in Appendix 3).

The Chief Finance Officer will produce monthly management accounts using the accruals process. These will be reviewed by the Headteachers/Heads of School and Chief Executive Officer before they are issued to the Trust Board/FAR Committee via Governor Hub.

#### 4.2 Internal Scrutiny

A programme of work is agreed with the FAR Committee. Financial procedures will be tested by an independent external body/suitably qualified individual. If there is any evidence of non-compliance this will be reported, and a corrective action plan produced. Progress against the plan will be monitored by the FAR Committee.

## 5. Finance Systems & Procedures

### 5.1 Accounting System

All the financial transactions of Fioretti Trust must be recorded on the Access Education Finance system.

### 5.2 Accounting System Access

Entry to Access Education Finance is password restricted. Access to the component parts and configuration structures of the accounting system is restricted and the Chief Finance Officer is responsible for setting access levels for all members of staff using the system.

### 5.3 Academy and Central Accounting Key Responsibilities

#### Process:

#### Responsibility:

- |   |                 |
|---|-----------------|
| 1. GAG income   |                 |
| • Monthly GAG income                                  | Central         |
| • Bank transaction journals                           | Central         |
| • Bank Account reconciliation                         | Central         |
| 2. Sales/Lettings & other income                      |                 |
| • Sales Invoices                                      | Academy         |
| • Paying in slips                                     | Academy         |
| • Online banking receipts and reconciliation          | Academy         |
| • Control and bank account reconciliations            | Central         |
| 3. Bank Account                                       |                 |
| • Income journals                                     | Academy         |
| • Expense journals                                    | Central         |
| • Bank Account reconciliation                         | Central         |
| • Purchase Ordering & Goods Received                  | Academy         |
| • Purchase Invoices                                   | Academy/Central |
| • Purchase Ledger                                     | Central         |
| • Supplier maintenance & Aged Creditor reconciliation | Central         |
| • Control Account Reconciliation                      | Central         |
| • Payment run approval                                | Central         |
| • BACS payments                                       | Central         |
| • Direct Debits                                       | Central         |



<ul style="list-style-type: none"> <li>• Purchasing Cards</li> </ul>	Academy/Central
4. VAT ledger	
<ul style="list-style-type: none"> <li>• Monthly VAT return</li> <li>• VAT control account reconciliation</li> </ul>	Central Central
5. Payroll, Tax, Pension and Deductions	
<ul style="list-style-type: none"> <li>• Expense Journals</li> <li>• Control and bank account reconciliation</li> </ul>	Central Central

#### 5.4 Access Education Finance Account Coding Structure and Guidelines

Documentation is in place to enable clarity and consistency for all academies when coding income and expenditure. All income and expenditure headings are coded in accordance with the standard DfE chart of accounts.

#### 5.5 Transaction Processing

All transactions input into the accounting system must be authorised in accordance with the procedures specified in this procedures manual. The procedures for payroll, purchase ordering, purchase ledger and sales ledger are outlined in the following sections of this policy.

Bank account entries should be input centrally with supporting evidence.

If recharges are to be made between the central trust and the academies, this will be done via a central journal.

Detailed information on transaction processing can be found in the Access Education Finance Knowledge Base.

#### 5.6 Fioretti Trust Best Practice Guide – Appendix 1

The best practice guide provides a step-by-step guide to annual procedures that allocates dates and deadlines for completion of financial responsibilities. This will enable all staff with finance responsibilities to comply with the Trust and ESFA's financial and governance deadlines (included in Appendix 1)

## 6. Payroll Systems & Procedures

The main elements of the payroll system are:

- Payroll administration
- Payments

### 6.1 Payroll Administration

The payroll function is outsourced to a Human Resources/payroll bureau, appointed by the Trust. All staff are paid monthly by BACS administered by the payroll bureau. The bureau will hold a file for each employee which records:

- Salary
- Bank account details
- Taxation status

- Pension status
- Personal details
- Any deductions or allowances payable

Amendments to this file will be handled through the human resources online portal.

The bureau will act as the Trust's HMRC agents and will issue a timetable for payroll processing each year.

## **6.2 Payroll Payments**

Payroll preparation:

The Academies must provide the following information to the payroll bureau which must be authorised:

- Authorised new starter/leaver.
- Authorised staff increments for the trust and academies.
- Authorised changes to hours/TLRs/overtime etc.
- Absence/Maternity/Paternity etc.

Changes to personal details will be managed by employees through the self-service portal.

Teacher/Leadership Team increments:

To be authorised by the Payroll Committee and communicated to the bureau via the portal.

Non-Teaching Staff Increments:

To be authorised by the Payroll Committee and communicated to the bureau via the portal.

Headteacher increments:

To be authorised by the Board of Trustees after successful completion of the performance management review process.

After the payroll has been processed to agree all variances, but before payments are dispatched, the salary payments must be authorised in line with delegated authority. Unless there are exceptional circumstances, all salary payments are to be made by BACS.

The central finance team should prepare and sign a reconciliation between the current month and the previous month's gross salary payments showing adjustments made for new appointments, resignations, pay increases, overtime claims, attachment of earnings orders, student loans etc.

The bureau's payroll system automatically calculates the deductions due from payroll to comply with current legislation. The major deductions are for tax, National Insurance contributions and pensions. The bureau has been authorised by the Board to make these payments on the due date by BACS. The Chief Finance Officer should regularly check a random selection of payroll payments for the calculation of gross to net pay to ensure that the bureau is performing to contract. Internal audit will also carry out a review on a periodic basis.

Monthly Payroll Journals should be processed centrally on the Fioretti Trust finance system.

A monthly file should be securely kept of all variances including reconciliations.

### 6.3 Special Staff Severance Payments

Special staff severance payments are paid to staff outside statutory or contractual requirements when leaving public employment. The following issues **must** be considered before making a binding commitment:

- That the proposed payment is in the Trust's interest
- Whether the payment is justified, based on the legal assessment of the trust's chances of successfully defending the case at employment tribunal.
- If the settlement is justified, the trust would need to consider the level of the settlement which must be less than the relevant body (e.g., tribunal) is likely to award.

Staff severance payments must not be made where they could be seen as a reward for failure, such as gross misconduct or poor performance.

Where the Trust is considering a staff severance payment including a non-statutory/non-contractual element of £50,000 or more, the ESFA's prior approval must be obtained before making any binding offer to staff. Examples of approval requirements are as follows:

Statutory/Contractual payment		Non-Statutory/Non-Contractual payment	ESFA/HM Treasury approval required
£30,000	+	£30,000	No
£60,000	+	£30,000	No
£30,000	+	£50,000	Yes – for £50,000

The Trust must demonstrate value for money by applying the same scrutiny to a payment under £50,000 as those over £50,000 and have a justified case.

Additionally, in accordance with HM Treasury's Guidance in Public Sector Exit Payments, the Trust **must** obtain prior ESFA approval before making a special staff severance payment where:

- An exit package which includes a special severance payment is at, or above, £100,000 and/or
- The employee earns over £150,000.

## 7. Ordering & Purchasing

### 7.1 Effective Procurement

Fioretti Trust wants to achieve the best value for money from all purchases to ensure that all needs are met in terms of quality, quantity, and timeliness at the best price possible. It is important that procurement is effective and that framework deals and the use of 'Deals for Schools' are checked to

maintain Value for Money. A large proportion of purchases are paid for with public funds and the trust needs to maintain the integrity of these funds by following the general principals of:

- Probity – it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of Fioretti Trust;
- Accountability, Fioretti Trust is publicly accountable for its expenditure and the conduct of its affairs;
- Fairness, that all those dealt with by Fioretti Trust are dealt with on a fair and equitable basis.

It is vital that Fioretti Trust and the academies are effective procurers of goods and services. For effective procurement, each of the following ‘five rights’ must be satisfied:

- Procure the right **Goods or Service** – the most critical element of any procurement is ensuring that the right goods or service are purchased. For some higher value items, it is helpful to draw up a specification that outlines exactly what is needed.
- Buy the right **Quantity** – the higher the quantity, the lower the price. Always ask a supplier if they are willing to offer volume reductions.
- Purchase items of the right **Quality** – a cheap item may not offer best value for money.
- Purchase at the right **Price** – there are two categories of cost which both need to be taken into account when considering price:
  - Purchase price – which covers the up-front cost of the item.
  - Lifecycle costs, which include other costs that may be incurred in owning and running the item.
  - The trust must pay no more than cost for goods or services provided by connected parties (see Business Interests)
- The right **Location** – ensure the supplier knows exactly where you need the goods to be delivered.

Before authorising a purchase, consider that it is appropriate expenditure.

Capital expenditure in connection with the original construction and fit out of new academy premises are not covered in this policy.

## 7.2 Routine Purchasing

Budget holders will be informed of the budget available to them and it is their responsibility to manage the budget and ensure the funds are not overspent. Budget holders can view real time information on their actual and committed expenditure via Access Education Finance.

## 7.3 Financial Scheme of Delegation

The Fioretti Trust financial scheme of delegation runs in conjunction with this document, which outlines the limits to which Fioretti Trust employees can commit the Trust. The financial scheme of delegation sets out the controls which should be observed in both the central trust and the academies.

Authorisation in line with delegated authority:

Each Headteacher has the authority to authorise orders up to £10K

Each Local Governing Body has the authority, in consolidation with the CEO, to authorise orders up to £25K

Any order over £25K must be authorised by the Trust Board.

St Thomas and St John's & St Peter's – in addition to these authorisation limits:

Building Services Manager - £250

SENDSCO - £500

Deputy Headteacher - £2,000

Interim Head of School - £5,000

COO - £10,000 – Catering only

COO - £2,000 (ICT, Indirect Staffing, Professional Services only)

Value for Money must be considered for every purchase. For any tendering requirements over delegated authority contact should be made, in the first instance, with the Chief Finance Officer and the latest 'Find a Tender' regulations are adhered with.

- General purchases under £1k – alternative quotes to be obtained where practical; these must be attached to the purchase order.
- Purchases £1k - £5k – alternative quotes to be obtained.
- Purchases/projects (including capital) > £5k – Three written quotations **must** be obtained and attached to the purchase order. In exceptional circumstances where it is not possible to obtain three quotations, dispensation must be obtained from the Finance, Audit, and Risk Committee.
- Authorisation of purchases must be in line with delegated authority and preferably will be via Access Education Finance, otherwise by email or document signature. All supporting documentation must be provided when obtaining authorisation.
- When seeking authorisation for purchases, the following must be clear – the supplier, quantity of goods/services and the total cost.

#### 7.4 Purchase Requisitions and Orders

Purchase orders (PO) ensure that there is a precise record of what has been ordered, this can be compared against items delivered.

PO's should be only be used for goods and services supplied to the Trust. Individuals must not use official orders to obtain goods and services for their private use. All purchases must be made through the Access Education Finance PO processing system.

Wherever possible, PO's should be entered directly to the finance system to enable the Finance team to check that the PO is appropriate, correctly coded, and has all the relevant supporting documents attached. The trust/academy finance team will then ensure that the PO is correctly authorised and will send the official order to the supplier.

Alternatively, PO's can be emailed to the trust/academy finance team for entry to the finance system. The email should contain all the relevant information and include appropriate authorisation. The Finance staff will send the official order to the supplier unless advised otherwise.

### **7.5 Goods and Services Received**

All deliveries should be addressed to the individual academy or central trust as appropriate and not to individual staff addresses.

A detailed check of items received must be made against the delivery note and a record of any discrepancies made. If no delivery note is received, the invoice will serve as the delivery note and should be checked against the original PO. Discrepancies must be notified to the supplier without delay by the academy or central trust as relevant. Goods received should then be actioned through the finance system.

### **7.6 Invoices Received**

All invoices must include an official PO number before payment is made unless there are exceptional circumstances.

### **7.7 Invoice Payments**

Payment of invoices is through the Trust bank account according to Fioretti Trust's Purchasing Terms and Conditions by BACS, direct debit, or faster payment as appropriate. The standard payment terms are 30 days from the invoice date. Payment terms can be amended to suit more specific supplier terms. A proposed payment list should be generated from the finance system and authorised in accordance with authorised signatories before payments are made.

Once proposed payments are authorised, the payment run will be finalised, and remittances issued to suppliers. The payment run will then be uploaded to Lloyds Commercial Online system to be approved in line with the authorised approvers who must ensure that there is a complete audit trail from the proposed list to the final payments from the bank.

### **7.8 Direct Debit Payments**

Direct debit payments are processed through Access Education Finance as an expense transaction to be paid from the central bank account. The supplier must be set up as a Trust supplier and included in the transaction record to ensure accurate records for the VAT 126 claim. A copy of the supporting documentation must be attached to the system record.

### **7.9 Supplier Maintenance**

The central trust Finance team are responsible for the maintenance of the purchase ledger. All new suppliers must be supported by completing the new supplier form or by email ensuring that all the relevant details are included.

Before any payments are made to a new supplier, standard fraud checks must be carried out to independently verify the bank details provided on the invoice. These fraud checks should also be made if there are any changes to the supplier bank details.

Confirmation that these independent checks have been carried out is confirmed by running an audit report of changes to supplier records from Access Education Finance. The Chief Finance Officer checks the report against the fraud checks ahead of BACS payments being processed. All documents are retained as an audit trail.

### **7.10 Preferred Suppliers**

Finance staff can advise on preferred suppliers. When ordering from Amazon, staff should ensure that VAT invoices are available and that items ordered meet Trust requirements in terms of quality. Staff should also ensure that any other online suppliers used meet the Trust ethical standards as well.

### **7.11 Self-employed Contractors**

When engaging a contractor, particularly from a small or one-man business, the employment status must first be established. If the individual is offered terms, e.g., an hourly rate of pay and /or equipment and materials are provided by Fioretti Trust, this can be regarded as 'employment' and payment should be made via the payroll, with the appropriate deductions being made.

To establish whether someone is employed or self-employed, the HMRC website should be checked at [www.hmrc.gov.uk/employment-status](http://www.hmrc.gov.uk/employment-status). If in doubt, this should be referred to the Finance team so that advice can be sought from HMRC.

If the contract is for self-employment, consideration should be given to whether the work falls within the Construction Industry Scheme (CIS). Further advice on this can be obtained from the Finance team.

### **7.12 Purchasing Cards**

It is Fioretti Trust policy to hold purchasing cards for non-cash payments. Fioretti Trust accepts that some payments for the supply of goods/services are most conveniently made by purchasing card and will maintain cards for that purpose. Cards will be allocated to staff in accordance with the overall Trust credit limit and will be dependent on operational needs. Cardholders should comply with the Trust purchasing policy in respect of using appropriate suppliers and purchasing goods of the required quality.

The issue of cards, changes to individual card and single transaction limits must be approved in advance by the Chief Finance Officer.

Card transactions made in any month will be settled in full by means of a direct debit at the end of the month.

All card transactions must be accompanied by an appropriate receipt, with VAT details where relevant, and must be used solely for company purchases. Purchasing cards are not to be used to draw cash unless permission is obtained in writing from the Trust CEO. Cards must be kept secure at all times and card numbers and PINs are not to be divulged.

Card transactions should be entered into Access Education Finance by the academy/central trust finance team, along with supporting documentation. All card transactions must be reconciled monthly and independently checked and authorised.

### 7.13 Staff Expenses

The use of staff expenses should be kept to a minimum for incidental purchases. Reimbursement will be made by BACS payment subject to the timing of supplier payments. Purchases from Amazon will not be reimbursed via expenses as these should be processed through the purchase order system.

### 7.14 Trustees Expenses

All Trustees are entitled to claim the actual costs which they incur, as follows:

- childcare or baby-sitting allowances (excluding payments to a current/former spouse or partner)
- cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner)
- the extra costs they incur in performing their duties either because they have special needs or because English is not their first language
- the cost of travel relating only to travel to meetings/training courses at a rate of 45 pence per mile which does not exceed the specified rates for school personnel
- travel and subsistence costs, payable at the current rates specified by the Secretary of State for the Environment, Transport and the Regions, associated with attending national meetings or training events, unless these costs can be claimed from any other source
- telephone charges, photocopying, stationery, postage etc.
- any other justifiable allowances

Trustees are not paid an attendance allowance or reimbursed for loss of earnings.

### 7.15 Write-offs and entering into liabilities

The Trust must obtain ESFA's prior approval for the following transactions beyond the delegated limits described below:

- Writing off debts and losses
- Entering into guarantees or letters of comfort
- Entering into indemnities which are not in the normal course of business

The delegated limits are:

- 1% of total annual income or £45,000 (whichever is smaller) per single transaction
- Cumulatively, 2.5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have not submitted timely, unqualified accounts for the previous two financial years.
- Cumulatively, 5% of total annual income (subject to a maximum of £250,000) in any financial year per category of transaction for trusts that have submitted timely, unqualified accounts for the previous two financial years.



## 8. Academy Income & Debt Collection

### 8.1 Income from Parents/Carers

The Arbor online cashless system is the preferred method of collecting payments from parents/carers, although academies may also use other cashless payment systems. A breakdown of receipts from the system should be reconciled against bank statements and the amounts posted to Access Education Finance on at least a weekly basis.

### 8.2 Lettings/Charging Policy

Trust academies are responsible for maintaining records of bookings for facilities and for identifying the sums due from each hirer.

For facility hires, a sales invoice will be raised on Access Education Finance, with the income being allocated to the relevant sales income code.

All debts should be monitored regularly with reference to the Trust Debt Recovery Policy, and any debts written off must be in line with the following limits:

- Up to £150 – Accounting Officer/Headteacher/Head of School
- £151 to £500 – Finance, Audit and Risk Committee
- Over £500 – Trust Board and refer debt to debt collection agency

### 8.3 Grants from External Bodies

Any bids for grants/funding from external bodies should be submitted in conjunction with the Chief Finance Officer to ensure all Fioretti Trust academies can benefit from the funding source. The Chief Finance Officer will be responsible for ensuring compliance with funding requirements.

## 9. Cash Management & Banking

### 9.1 Custody

Where cash is received, it must be placed in an envelope by parents/carers before depositing in the secure drop box at school reception. Full details must be written on the envelope to include pupil name, year group, amount and reason for payment. The secure drop box should be emptied on at least a weekly basis by a member of the academy finance team, depending on the level of activity in the school. Any cash removed from the secure drop box must be held in the school safe ensuring that insurance limits are not breached. For the current insurance limit, please refer to the RPA insurance document.

Cash received must be counted, verified by the academy finance team in a timely manner and banked via the Lloyds Bank cash collection service from G4S. Monies received must be banked in their entirety in the appropriate bank account. Cash receipts should be posted to Access Education Finance once counted and verified and reconciled against the bank statement once deposited.

## 9.2 Bank Accounts

The financial resources of Fioretti Trust will be managed through individual bank accounts for the academies as well as a central bank account. The current bank for Fioretti Trust and its academies is Lloyds Plc.

- **Bank Deposits**

Particulars of any deposit must be entered on the paying in slip and counterfoil.

- **Bank Payments and Withdrawals**

All payments will be made by BACS although in exceptional circumstances faster payments may be processed after approval from the Chief Finance Officer. Payments will be authorised on the Lloyds Commercial Banking Online system in accordance with the approved list of authorisers.

Any instruments authorising withdrawal from any of the Trust accounts must bear the signature of two authorised signatories per the bank mandate. This provision applies to all accounts, public or private, operated by or on behalf of the board of trustees.

- **Central authorisation of Academy Payments**

The Chief Finance Officer must have seen the proposed list of invoices to be paid prior to the completion of the BACS run in Access Education Finance and subsequent upload to the Lloyds Commercial Banking Online system. If the Finance Manager approves the payments other senior managers must authorise the payments in the Lloyds Commercial Banking Online portal unless there are exceptional circumstances.

- **Bank Account Administration**

The Chief Finance Officer must ensure that bank reconciliations are completed at least monthly as at the last day of the month. The reconciliation process is completed between Access Education Finance and the bank statements. A list of unreconciled payments/lodgements must be produced once the final bank statement for the month has been reconciled.

## 9.3 Cash Flow Forecasts

The Chief Finance Officer is responsible for producing rolling 12-month cash flow forecasts to be included with the monthly management accounts.

## 9.4 Investments

The Board will approve any investments in line with the Investment Policy.

# 10. Fixed Assets

## 10.1 Asset Register

The Chief Finance Officer is responsible for maintaining an asset register of all equipment at all locations. All items purchased with a value over £500 must be entered into the Trust asset register.

The register helps:

- Ensure that staff take responsibility for the safe custody of assets
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse
- To manage the effective utilisation of assets and to plan for their replacement
- Help the external auditors to draw conclusions on the annual accounts and the Trust financial system
- Support insurance claims in the event of fire, theft, vandalism or other disasters

All IT equipment must be recorded on the register. Details recorded should include the date purchased (where possible) and the serial number (if one is available).

### **10.2 Security of Assets**

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

All the items in the register should be permanently and visibly marked as the trust and academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the trustees and governors. Inventories of trust and academy property should be kept up to date and reviewed regularly. Where items are used by the trust and academy but do not belong to it this should be noted.

### **10.3 Disposal of Assets**

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Finance, Audit & Risk Committee and, where significant, should be sold following competitive tender. The trust and academy must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

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

The Trust and academies are expected to reinvest the proceeds from all asset sales for which capital grant was paid in other trust and academy assets. If the sale proceeds are not reinvested, then the trust and academy must repay to the DfE a proportion of the sale proceeds.

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

### **10.3 Loan of Assets**

Items of Fioretti Trust /academy property should not be removed from premises without the authority of the Chief Executive Officer/Chief Operating Officer/School Head. A record of the loan must be maintained and communicated to the Chief Finance Officer for recording on the Fixed Asset Register. When a student or staff member leaves the item must be returned to the academy or trust.

#### 10.4 Capitalisation and Depreciation

Subject to the value considerations and the details set out below, it is Fioretti Trust's policy to capitalise assets and depreciate them (using the straight-line method) over their estimated economic lives. Individual assets with a cost of £500 or above will be capitalised and entered on the asset register. All purchases/replacements with an individual item value of less than £500 will be charged to expenses and will follow the standard purchasing procedure.

Asset categories and Depreciation Rates:

Asset Category	Asset Life (Years)	Depreciation Rate (%)
Freehold Buildings	30	3.33
Leasehold and other property	30/10	3.33/10
Furniture, Fittings & Equipment	4	25
ICT Equipment	3	33

The standard depreciation rates, as categorised above, will be assessed on a project-by-project basis to determine individual depreciation rates for each item of capital expenditure.

New Build Sites will be capitalised as a total asset for each category, in line with the classification on the architects' certificates. Capitalisation date and the start of depreciation will be the day the building comes into use.

## 11. Insurance & Risk Management

### 11.1 Insurance

Fioretti Trust will maintain insurance cover through the Risk Protection Arrangement (RPA) scheme for the key risks identified including (but not limited to) the following:

- Public Liability
- Employers Liability
- Business Interruption
- Legal Expenses
- Material Damage
- Governors' Liability
- Employee and Third-Party Dishonesty
- Money
- Personal accident
- UK and Overseas Travel

It is the responsibility of each location to inform the Chief Finance Officer of all new risks which require insurance or potential situations requiring alterations to existing arrangements.

All locations should display the appropriate notices regarding insurances as required by statute, in particular, the statement of Employer's Liability insurance. At no time shall any location give any indemnity to any third party without the written consent of the insurers.

Any potential claims should be notified to the Chief Finance Officer who will handle claims centrally. Claims are made by contacting the RPA via the online portal.

### **12.2 Risk Management**

Fioretti Trust has a risk management strategy which aims to raise awareness about the need to address strategic and operational risks and to provide good practical guidance for academies and central Fioretti Trust to manage such risks in an effective and formal way. The Risk Register must be completed and reviewed at least annually and as a live document updated as necessary.

The Accounting Officer is responsible for ensuring that an up-to-date register is maintained. This ties in with the audit and Annual report and Financial Statements for trustee signoff prior to submission to the DFE by 31<sup>st</sup> December each year.

## **12. Links to other policies**

Whistleblowing Policy  
Charging & Remissions Policy  
Investment Policy  
Capital and Revenue Reserves Policy  
GAG Pooling Policy  
Debt Recovery Policy

## APPENDIX 1 – FIORETTI TRUST BEST PRACTICE GUIDE

### Access Education Finance

- The nominal codes that are used are consistent with the DFE chart of accounts to enable automatic upload of financial information in ESFA returns.
- Cost Centres and Analysis Codes are for use at academy level to analyse budgets.
- Funding – GAG and other DFE funding will be received centrally and allocated to the appropriate academy.
- LA funding will be allocated at an academy level.
- Intercompany transactions will be completed centrally, all transactions must balance through account code 250500.
- Payroll costs will be journalled centrally to relevant locations.
- Chief Finance Officer - Budget uploads:
  - Fixed Budget – first week September (latest)
  - Budget 1 (budget review) – first week October (latest)
  - Budget 2 (mid-year) – 1<sup>st</sup> week January (latest)
  - Budget 3 (BFRO outturn) – 1<sup>st</sup> week April (latest)
- Accruals/Prepayments/Deferred Income/Accrued Income
  - Posted monthly so that the management accounts show a true reflection of the current financial position.
  - Budget Forecast Return (BFR) - adjustments posted to provide a realistic full year outturn.
  - Annual Accounts – prepared centrally, adjustments are posted in P13
- New financial year to be opened at the end of August each year in preparation for the new year.
- Access Education Finance issues – Knowledge base online help facility, user forum. Authorised users only to log issues.

### Management Accounts

- Produce Management Accounts monthly in accordance with the ESFA requirement for including accruals/prepayments.
- The timescale for production of the accounts is within 10 working days of the end of the calendar month.
- The Management Accounts pack will include the following:
  - Income and Expenditure reports for each academy and the central trust showing the year to date and forecast full year income and expenditure
  - Consolidated Balance Sheet
  - Consolidated 12-month rolling cash flow forecast
  - Full commentary to explain significant variances and provide context for the reports
- The Management Accounts must be reviewed and approved by the Chief Executive Officer prior to circulation to the Trust Board or Finance, Audit and Risk Committee via the Governor Hub portal.
- The Management Accounts must be shared with the chair of trustees every month and the Board must consider these when it meets and be assured that there is appropriate oversight of the trust's financial position.

**Budgets/BFR**

- The budget will be submitted to the Finance, Audit and Risk Committee in June of each year to allow sufficient time for review and amendment prior to submission to the Trust Board for approval.
- The deadline for submission to the ESFA of the approved budget, in a form specified by the ESFA, is the end of August.
- The approved budget will become the fixed budget in Access Education Finance to be uploaded at the start of the academic year.
- The budget scenario will be worked on in Access Education Budgets with the working scenario being maintained as private until approved and published.
- The approved budget scenario will be copied into the new year by the Chief Finance Officer so that revisions can be made for significant variations that have occurred since the original budget was prepared. This version will be uploaded to Access Education Finance following a review by the Chief executive Officer.
- Scenarios will be copied and updated as appropriate throughout the year forming the basis of Budget 2 and Budget 3 as above.
- All budget scenarios will be created/managed by the Chief Finance Officer to ensure accurate reporting.

**Banking**

- Best practice to minimise fraud is to pay all suppliers by BACS.
- Where faster payments are made it must be ensured that the system verifies the bank details as correct for the supplier before payments are authorised.
- Supplier payments are processed centrally.
- Ensure authorisers are available before payment runs are processed.
- Bank reconciliations are completed once a month as a minimum.

**Financial Year End**

- Pre-audit meeting with the auditors will take place in June/July
- Chief Finance Officer is responsible for notifying relevant staff of audit dates, information requirements.
- Chief Finance Officer is responsible for checking any new guidelines in the Annual Accounts Direction
- Financial Procedures to be updated following publication of the Academies Trust Handbook

**Audit**

- Annual internal scrutiny checks at each location to provide quality assurance that Fioretti Trust, ESFA policies are being adhered to.
- Annual External Audit, including TPS EOYC, carried out by Feltons (Bham) Limited.

Month	Last Working Day	Schools - Deadline 1*	Central - Deadline 2**	CFO - Accounts Published
September 2024				
October 2024				
November 2024				
December 2024				
January 2025	31/01/2025		03/03/2025	07/03/2025
February 2025	28/02/2025	07/03/2025	12/03/2025	14/03/2025
March 2025	31/03/2025	04/04/2025	10/04/2025	14/04/2025
April 2025	30/04/2025	09/05/2025	13/05/2025	16/05/2025
May 2025	30/05/2025	06/06/2025	11/06/2025	13/06/2025
June 2025	30/06/2025	04/07/2025	09/07/2025	11/07/2025
July 2025	31/07/2025	12/09/2025	19/09/2025	08/08/2025
August 2025	29/08/2025	12/09/2025	19/09/2025	26/09/2025

\*Deadline 1 = posting of purchase invoices and bank transactions

\*\*Deadline 2 = posting of month end adjustment journals



**Appendix 2 – New Supplier Approval Form****Fioretti Trust****New Supplier Request Form****Supplier Details**

Supplier Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Postcode: \_\_\_\_\_

VAT Registration Number: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Purchase Order email address: \_\_\_\_\_

Remittance email address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

**Bank Details**

Sort Code: \_\_\_\_\_

Account No.: \_\_\_\_\_

Account Name: \_\_\_\_\_

**Independent Verification of Bank Details:**

Supplier and Bank details verified by: \_\_\_\_\_

Supplier contact: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_ 20\_\_\_\_

**Access Education Finance**

Supplier Details added: \_\_\_\_\_ 20\_\_\_\_ Initials: \_\_\_\_\_

Bank Details added: \_\_\_\_\_ 20\_\_\_\_ Initials: \_\_\_\_\_

**SUPPLIER REFERENCE:** \_\_\_\_\_

**Appendix 3 – Financial Reporting Timetable**

Month	Management Accounts		ESFA Reporting	
	Published	Meeting	Return	Deadline
September				
October		Trust Board 10.12.24		
November		Trust Board 11.02.25		
December		FAR 04.03.25	Financial Statements	31.12.24
January	03.03.25		Accounts Return	31.01.25
February	14.03.25	Trust Board 01.04.25		
March	14.04.25			
April	16.05.25	Trust Board 20.05.25		
May	13.06.25	FAR 24.06.25		
June	11.07.25			
July	08.08.25			
August	26.09.25	TBC	Budget Forecast Return (BFR)	31.08.25