LISLE MARSDEN CHURCH OF ENGLAND PRIMARY ACADEMY

SCHEME OF DELEGATION

The academy has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for trustees and staff. The financial reporting structure is illustrated below:

The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the academy's finances. The main responsibilities of The Board of Trustees are prescribed in the Funding Agreement between the academy and the DFE and in the academy's scheme of government. The main responsibilities include:

- ensuring that grant from the DFE is used only for the purposes intended;
- ensuring that funds from sponsors are received according to the academy's Funding Agreement, and are used only for the purposes intended;
- approval of the annual budget;
- appointment of The Headteacher and
- appointment of the Business Manager, in conjunction with The Headteacher.

The Finance and Audit and Risk Committees

The Finance and Audit and Risk Committees are committees of The Board of Trustees, which meets at least three times a year but more frequent meetings can be arranged if necessary.

The main responsibilities of The Finance and Audit Committee are detailed in written terms of reference which have been authorised by The Board of Trustees. The main responsibilities include:

- The initial review and authorisation of the annual budget;
- The 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;
- Authorising the expenditure over £15,000 and up to £50,000.
- Authorising changes to the academy personnel establishment and
- Reviewing the reports of the internal scrutiny process on the effectiveness of the financial procedures and controls. These reports must also be reported to the full governing body.

The Headteacher

Within the framework of the academy development plan as approved by The Board of Trustees. The Headteacher has overall executive responsibility for the academy's activities including financial activities. Much of the financial responsibility has been delegated to the Business Manager but The Headteacher still retains responsibility for (and in their absence the Deputy Headteacher):

- approving new staff appointments within the authorised establishment, except for any senior staff posts which The Board of Trustees have agreed should be approved by them;
- authorising expenditure up to £15,000 including VAT in conjunction with the Business Manager.
- signing cheques in conjunction with the Business Manager (or other authorised signatories if The Headteacher were not to be available).

The Business Manager

The Business Manager works in close collaboration with The Headteacher through whom he or she is responsible to the trustees. The Business Manager also has direct access to the trustees via The Finance, Personnel and Administration Committee. The main responsibilities of the Business Manager are:

- the day to day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the academy financial position at a strategic and operational level within the framework for financial control determined by The Board of Trustees;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy;
- the preparation of monthly management accounts;
- signing cheques in conjunction with The Headteacher (or other authorised signatories if The Headteacher were not to be available)
- ensuring forms and returns are sent to the DFE in line with the timetable in the DFE guidance.

Internal Scrutiny

The Board of Trustees appoint a firm, other organisation or individual to provide internal scrutiny for the trustees with an independent oversight of the academy’s financial affairs. The main purpose of the internal scrutiny is to provide The Board of Trustees with independent assurance that:

- the financial responsibilities of The Board of Trustees 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 internal scrutiny visits will undertake a programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as laid down by The Board of Trustees. A report of the findings from each visit will be presented to the Audit and Risk Committee. Detailed guidance on the internal scrutiny transactions to be checked is given in Appendix A of the DFE Guidance.

Other Staff

Other members of staff, primarily the Business Manager, the Finance Assistant and budget holders, will have some financial responsibilities and these are detailed in the financial procedures. All staff are responsible for the security of academy property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy’s financial procedures.