



Maritime Academy Trust

FINANCIAL REGULATIONS POLICY

Associated Documentation:

Current Academies Financial
Handbook Current Academies
Accounts Direction

Date of Trust Board Approval:	9th September 2025
Date of Issue:	10th September 2025
Next review date:	9th September 2026

1. INTRODUCTION

- 1.1 The purpose of this Policy is to ensure that the Maritime Academy Trust (the **Trust**) maintains and develops systems of financial control, which conform with the requirements both of propriety and of good financial management. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Secretary of State for Education, through the Department for Education (DfE).
- 1.2 The Trust must comply with the principles of financial control outlined in the Academies Financial Handbook. This Policy expands on that and should be read by all staff involved with financial systems.

2. FINANCIAL PLANNING

- 2.1 The Trust prepares rolling 3-year budgets.
- 2.2 All requirements of the DfE will be considered in preparing and submitting the budget.
- 2.3 The Chief Financial Officer (**CFO**) is responsible for preparing and obtaining approval for the annual budget.
- 2.4 The budget must be approved by the CEO, Finance, Audit & Risk Committee (the **FARC**) and the Trust Board.
- 2.5 Budget actuals and forecasting for each location along with % variances to the submitted budget will be provided to the FARC on a monthly basis as part of the Management Accounts.
- 2.6 **Other Government funding:** In addition to GAG funding from the DfE, the Trust may be awarded specific funding for other projects e.g. Schools Condition Allowance, Additional Special Educational Needs funding etc. This funding may be from the Department for Education or Local Authority. All government funding will be spent in accordance with the terms and conditions imposed.
- 2.7 **Other grants and specific funding:** In addition to GAG and other government funding, the Trust may be awarded additional external funding or grants from time to time relating to specific projects. All such funding and grants will be spent in accordance with the terms and conditions imposed.
- 2.8 **Funds held in trust:** Where funds are held in trust, the CFO is responsible for ensuring accurate recording of the income and expenditure, as well as ensuring the funds are recognised separately as set out in the Trust's constitution.
- 2.9 **Virements:** Budget virements are not permitted. Actual budget overspends will be used to inform future budget planning.
- 2.10 **Budget forecast return:** The approved budget must be submitted to DfE by 31 July each year by the CFO.
- 2.11 **Monitoring and review (including management accounts):** Monthly reports are prepared by 20th of the following month by the CFO,

these include Cash Flow, Balance Sheet, KPI's, Income and Expenditure and Variance to budget analysis. The monthly reports are provided to the Accounting Officer and all Trustees.

3. INDEPENDENT CHECKING PROCEDURES

- 3.1 To meet the requirements for delivering assurance found in the Academies Financial Handbook, an internal audit service has been procured as a supplementary service to the external auditors.
- 3.2 **Review of regularity:** The CEO (in their role as Accounting Officer) reviews the key documents termly and delegates some responsibility to the CFO to ensure that the Trust is working within the boundaries of regularity and propriety.
- 3.3 **Annual accounts:** The Trust must prepare annual audited financial statements for the accounting period to 31 August. The accounts are outsourced to our auditors for preparation.
- 3.4 **Value for money statements:** As part of the annual accounts, the Trust must include 3 focused examples of value for money.
- 3.5 **Audit arrangements:** External auditors must be appointed in accordance with the Academies Financial Handbook.
- 3.6 **Accounts Return:** The Trust must prepare an annual accounts return for the accounting period to 31 August, which is submitted to the DfE by 31 January. The accounts return is outsourced to our auditors for preparation.

4 ACCOUNTING SYSTEM AND CASH MANAGEMENT

- 4.1 All the financial transactions of the Trust must be recorded into PS Financials, the computerised financial information accounting system. This system is operated by the Trust's Finance Team.
- 4.2 **Bank accounts:** The Trust is responsible for selecting the banking institution and negotiating the terms and conditions. The Trustees must authorise the opening of all bank accounts.
- 4.3 **Payments and withdrawals:** All instruments authorising withdrawal from academy bank accounts must bear the signatures of two authorised signatories (physical or electronic). This provision applies to all accounts, public or private, operated by or on behalf of the Trustees of the Trust including funds held in trust. Authorised signatories must not authorise a payment relating to goods or services for which they have also authorised the expenditure.
- 4.4 **Administration:** The CFO ensures bank statements are received regularly and that reconciliations are performed at least on a monthly basis.
- 4.5 **Petty cash:** The Trust does not operate a petty cash system.
- 4.6 **E-procurement and payments:** The Trust's business cards (currently Lloyds Bank plc) are used only when it is not practical to use the purchase order/BACS system. Only members of the central Finance team hold credit cards. It is used mostly for internet purchases and

to buy refreshments for meetings etc. For more detail see the Trust's Credit Card Policy and Procedure.

- 4.7 **Journals:** Only Finance Managers are allowed to process journals. All journals processed are downloaded and saved digitally. They are then reviewed and authorised by either the CFO or a Finance Manager. No-one will ever review and authorise their own journals.
- 4.8 **Investments:** Investments risk will be managed through active cash management of cash deposit to ensure that the security of deposits takes precedence over revenue maximisation. For selection, investments will only be considered with banking institutions which have credit ratings assessed by Fitch and or Moody to show investment grade ratings. For more detail see the Trust's Investment Policy.
- 4.9 **Reserves:** Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year. The CEO as Accounting Officer must inform DfE immediately if a deficit revenue budget is anticipated. If the Trust is anticipating a deficit at the end of any financial year, the Trustees and CFO have a responsibility to ensure action is taken at the earliest opportunity to address this issue. Any surplus will go to the Trust reserves either to be invested or to be deployed as per our current priorities. Reserves will be kept in line with the current reserves policy.
- 4.10 **Capital Reserves:** Any overall surpluses at the end of the year are carried over to the following year.

5. PAYROLL AND STAFF APPOINTMENTS

- 5.1 **Staff appointments:** Personnel levels are agreed at the budget stage. The Headteacher / Executive Headteacher / budget holder, in consultation with the Finance Team, must ensure that there is adequate budgetary provision for any subsequent recruitment requests or contract variations.
- 5.2 **Payroll administration:** Payroll is administered through the Trust's payroll provider. All staff are paid monthly through the payroll provider.
- 5.3 **Salary advances:** The Trust does not award salary advances.
- 5.4 **Severance payments:** The Trust is able to self-approve the non-contractual element of severance payments up to £50,000. A business case must be presented before agreeing a payment, using the form provided by DfE on Gov.uk. Where the non-contractual element is on or over £50,000 prior approval from DfE must be sought.
- 5.5 **Ex-gratia payments:** Any ex-gratia payments must be submitted to DfE for prior approval.

6. INCOME

- 6.1 **DfE grants:** The main sources of income for the Trust are the grants from the DfE.
- 6.2 **Locally generated income:** Income from other sources (for example wraparound services) is priced in consultation with the Finance

Team. These transactions must not be undertaken until the price has been agreed to ensure that as a minimum, income covers costs.

- 6.3 **Bad debts:** The Trust chases all monies due, in line with the Trust's Debt Policy. Write-off any debt up to £250 requires the written approval of the Head Teacher. The write off of debts over £250 must be approved by the FARC.
- 6.4 **Purchasing:** The Trust must achieve value for money on all purchases. A large proportion of our purchases are paid for with public funds and we need to maintain the integrity of these funds by following the general principles of probity, accountability and fairness.
- 6.5 **Routine Purchasing:** Budget holders will be informed of the budget available to them as soon as possible at the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent.

Expenditure limits are set out in the Trust's Scheme of Delegation, but note:

- (a) At least two written quotations must be obtained for all orders **£7,000 - £14,999** to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained for audit purposes.
- (b) At least three written quotations must be obtained for all orders **£15,000 - £49,999** to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained for audit purposes.
- (c) The Trust's tendering process must be followed for orders over **£50,000**
- (d) It may be the case that only one provider is able to carry out work or a service or to supply goods for specific reasons or that a change in supplier of a service would cause disproportionate disruption to the Trust. In this instance the work, service or goods can be commissioned without following the tendering procedures. A report must be presented to the relevant person in line with the expenditure limits set before the Trust enters into any contractual arrangement.
- (e) In exceptional circumstances, where an emergency situation arises, work of a value between £5,000 - £50,000 can commence without the need for three written quotations provided that the contractor is included on the approved contractors list and prior approval has been sought.
Under these circumstances an emergency constitutes a situation which, if not rectified, puts staff and or pupils in immediate danger or would result in the immediate closure of a school.
For expenditure between £5,000 - £35,000 the Trust Estates Manager can authorise the use of this criteria and the associated spend. For expenditure between £35,001- £50,000 this will be escalated to either the COO or the CFO for approval.

All instances of criteria (e) being invoked must be reported to the Finance, Audit and Risk committee, by the Trust Estates Team, at the next scheduled meeting.

- 6.6 **Preferred Suppliers** - All suppliers with an annual expenditure of £5,000 will be added to the preferred supplier listing as well as all

new suppliers subject to bank details and VAT number checks.

- 6.7 **Official Journal of the European Union (or from 1st January 2021 it's Brexit replacement – 'Find a Tender')**: Purchases over current OJEU / 'Find a Tender' limits are to be dealt with in accordance with the processes set out by the Government.
- 6.8 **Trading with related parties and connected parties**: Trading with related or connected parties is prohibited. Trustees will annually review the suppliers list and key management personnel to ensure that potential related / connected party transactions are identified early and mitigated.
- 6.9 **Goods and services for private use**: No goods are ordered or services provided to include any elements of private use by Members, Trustees, Councillors or staff.
- 6.10 **VAT**: The Finance Team is responsible for submitting the VAT 126 claim form each month.

7 INSURANCE

- 7.1 The FARC reviews insurance arrangements annually. They ensure that the sums insured are commensurate with the risks and include cover for Trust property when off of the premises.
- 7.2 We have opted into the Department for Education's Risk Protection Arrangements.

8. MEMBER, TRUSTEE AND COUNCILLOR EXPENSES

- 8.1 All Members, Trustees and Councillors of the Trust are entitled to claim the actual costs which they incur. The Trust Board acknowledges that:
 - (a) Members, Trustees and Councillors are not paid attendance allowance.
 - (b) Members, Trustees and Councillors are not reimbursed for loss of earnings. More details are set out in the Trustees & Councillor Expenses Policy

9. GIFTS AND HOSPITALITY

- 9.1 Details are set out the Trust's Gifts & Hospitality Policy, but generally:
 - (a) any gift or hospitality which is more than just a token, defined as a having a value of more than £100, should be politely refused or returned; and
 - (b) internal gifts, for example a gift of flowers for a retirement, must have a value of no more than £100.
- 9.2 All gifts & hospitality have to be recorded in the Trust's register.

10. FRAUD

- 10.1 The Trust does not tolerate fraud. Where instances of fraud are found the Trust Board will notify the DfE, according to the limits set out in the Academies Financial Handbook.
- 10.2 The Trust's Fraud Statement:
 - a) The Trust has a duty to its stakeholders to take all responsible steps to prevent fraud occurring, whether perpetrated by members, trustees, governors, employees, students, contractors,

suppliers or any member of the public.

- b) The Trust maintains robust control mechanisms to both prevent and detect Fraud. All members, trustees, governors and employees of the Trust have a responsibility for maintaining agreed, documented control systems. They must set an example by complying fully with those procedures and controls. The effectiveness of controls is subject to regular internal and external review.
- c) All members, trustees, governors and employees of the Trust have a responsibility to protect the assets and reputation of the Trust and are expected to be alert to the potential for Fraud.
- d) Confidential mechanisms are established to report Fraud concerns in accordance with the procedures set out in the Trust's Whistleblowing Procedure.

10.3 The Accounting Officer, in conjunction with the CFO, has overall responsibility for the maintenance and operation of Fraud, Bribery and Corruption controls for the Trust.

11. WHISTLEBLOWING

11.1 The Whistleblowing Policy can be found on the Trust website. Where appropriate, the DfE will be informed.

12. LEASING

12.1 Finance leases that represent borrowing require prior approval from the DfE. Operating leases will be assessed by the Finance Team when they expire to ensure they do not auto-renew until a value for money check has been completed.

13 ASSET MANAGEMENT

13.1 **Asset register:** All items purchased with a value over the Trust's capitalisation limit of £5,000 must be entered on to the fixed asset register. Fixed Assets to be included:

- Land and Buildings
- Furniture and Equipment
- Computer Equipment and Software
- Motor Vehicles
- Assets Under Construction

13.2 **Disposal of surplus stock, stores & assets (estimated value):**

Limits are:

- (a) Executive Headteacher / Headteacher Up to £1,000
- (b) Trust Board £1,001 and over
- (c) Trust Board plus prior approval of DfE If it exceeds 1% of annual income or £45,000 individually (As per the Academy Trust Handbook)

13.3 **Loan of Assets:** Items of Trust property must not be removed from Trust premises without the authority of the Executive Headteacher, Headteacher or CFO. A record of the loan must be recorded and booked back to the Trust when it is returned.