

The Samworth Church Academy

PROCEDURE FOR BUDGETARY CONTROL

1 Introduction

- 1.1 Our annual budget must be agreed before the start of the financial year.
- 1.2 The Executive Group is responsible for proposing the budget, and the Governing Body for approving it.
- 1.3 Our annual expenditure may not exceed the available funding.

2 Budget Setting

- 2.1 The Executive Group takes account of the total available funding and draws up an outline budget, the timetable for which the Finance Director is responsible.
- 2.2 Components of the budget are prepared using a standard template, showing sufficient detail to allow monitoring of expenditure.
- 2.3 The Executive Group shares responsibility for the budget proposal, which is presented to the Governing Body.
- 2.4 The Governors may refer the proposal back to the Executive Group for further amendment and resubmission.
- 2.5 Once the budget is approved, the Finance Director is responsible for determining the phasing of the budget.

3. Expenditure

- 3.1 Each budget holder is responsible for authorising expenditure within the phased budget agreed for their area, in accordance with our financial procedures.
- 3.2 Through cost centre management, each budget holder can track the progress of their expenditure against the agreed budget.
- 3.3 Expenditure may only be committed within the financial protocols in place at the time, which are the responsibility of the Finance Director.

4. Expenditure Control

- 4.1 The Finance Director prepares monthly reports for the whole Academy and for each budget holder showing the expenditure against budget, both monthly and for the year to date.
- 4.2 Each month, the Finance Director communicates profit & loss and cash reports to governors, including actuals, variance to budget and year-end forecasts.

5 Monitoring, Evaluation and Review

- 5.1 The policy will be promoted and published throughout the Academy.
- 5.2 The Governing Body will review it within two years and assess its implementation and effectiveness.

December 2010