The Samworth Church Academy

**PROCEDURE FOR BUDGETARY CONTROL**

**1 Introduction**

* 1. A Mark 1 budget should be presented to the Governing Body in June, and a Mark 2 budget should be presented and approved by the Governing Body in September.
	2. The Mark 2 budget will be the final and approved budget for the financial year.
	3. The Executive Group is responsible for proposing the budget, and the Governing Body for approving it.
	4. Our annual expenditure may not exceed the available funding.

**2 Budget Setting**

* 1. The Executive Group takes account of the total available funding and draws up an outline budget, the timetable for which the Finance Manager is responsible.
	2. Components of the budget are prepared using a standard template, showing sufficient detail to allow monitoring of expenditure.
	3. The Executive Group shares responsibility for the budget proposal, which is presented to the Governing Body.
	4. The Governors may refer the proposal back to the Executive Group for further amendment and resubmission.
	5. Once the budget is approved, the Finance Manager is responsible for determining the phasing of the budget.

**3. Expenditure**

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

**4. Expenditure Control**

* 1. The Finance Manager 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.
	2. Each month, the Finance Manager communicates profit & loss and cash reports to governors, including actuals, variance to budget and year-end forecasts.
1. **Monitoring, Evaluation and Review**
	1. The policy will be promoted and published throughout the Academy.
	2. The Governing Body will review it within two years and assess its implementation and effectiveness.