



Policy

POLICY FOR THE MANAGEMENT OF SURPLUS / DEFICIT FUNDS

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Our Mission

The school communities of The Bishop Wheeler Catholic Academy Trust will work together in truth and love to provide the best possible opportunities for all our young people and their families.

Our mission is the provision, development and future safeguarding of a World Class Catholic Education where every child, member of staff and family matters

The schools, their governors and the trust directors will work together, based on the principle of subsidiarity, in faithfulness and humility, to provide an education where Christ and His values of respect, service, tolerance, dignity and forgiveness are at the heart of everything we do.

This policy was adopted by the Trust Board

Signature:

Mrs C Hyde
Chair of Trust Board

Date:

12 July 2016

POLICY FOR THE MANAGEMENT OF SURPLUS / DEFICIT FUNDS

In accordance with the EFA Academies Financial Handbook:

'Trusts should use their allocated GAG funding for the full benefit of their current pupils. If a Trust has a substantial surplus, they should have a clear plan for how it will be used to benefit their pupils.'

The EFA will report to the DfE any Trusts where it has serious concerns about a long-term substantial surplus with no clear plans for its use.

'The Board of Directors must approve a balanced budget, which can draw on unspent funds brought forward from previous years. The Board must notify the EFA within 14 days if it is formally proposing to set a deficit budget which it is unable to address, after unspent funds from previous years are taken into account.'

The Trust's Finance and Audit Committee is responsible for ensuring that sound financial management and effective internal controls are in place; for approving the individual academies budgets and for monitoring overall financial performance.

In order to safeguard the Trust as a going concern, as well as to comply with the above financial regulations, the following procedures will apply:

Management of surplus:

1. Individual academies should aim to achieve a surplus of up to 5% of GAG at the year end. The final position is clear at the completion of the audit process in December.
2. A written action plan for the use of surplus funds over 5% of GAG must be submitted to the Business Director by 28th February.
3. Action plans will be considered by the Finance & Audit Committee, and authorised by the Board by 31st March. Priority will be given to expenditure with a clear educational purpose and capital / maintenance projects identified through the Trust's Capital Panel.
4. Written feedback will be provided to Headteachers / Academy Council within 2 weeks. The overall financial health of the Trust as a whole is the first consideration, therefore approval of surplus plans may not always be guaranteed.

Management of deficit:

1. Budgets must balance, however in extra-ordinary circumstances it may be necessary to set a deficit budget: for example an unforeseen drop in pupil numbers; high levels of staff absence affecting supply budgets.
2. A written deficit action plan must be submitted to the Business Director by 28th February.
3. Action plans will be considered by the Finance & Audit Committee, and authorised by the Board by 31st March.
4. The Trust finance team will provide additional support to schools in deficit. Monthly monitoring meetings will be held, enabling early warning signs to be highlighted should the plan be failing to meet targets.
5. In rare circumstances, The Board may need to remove the individual academy's delegated powers.

 The 10 schools in our Trust:

St. Mary's Menston, a Catholic Voluntary Academy
St. Joseph's Catholic Primary School Otley, a Voluntary Academy
Ss Peter and Paul Catholic Primary School, a Voluntary Academy
Sacred Heart Catholic Primary School Ilkley, a Voluntary Academy
St Mary's Horsforth Catholic Voluntary Academy
St. Joseph's Catholic Primary School Pudsey, a Voluntary Academy
St Joseph's Catholic Primary School Harrogate, a Voluntary Academy
St Mary's Catholic Primary School Knaresborough, a Voluntary Academy
St. Stephen's Catholic Primary School and Nursery, a Voluntary Academy
Holy Name Catholic Voluntary Academy



The Bishop Wheeler Catholic Academy Trust

The Bishop Wheeler Catholic Academy Trust is a charity and a company limited by guarantee, registered in England and Wales

Company Number: 8399801

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Chair of the
Trust board: Mrs C Hyde

Vice Chair of the
Trust Board: Monsignor P Owens