

From Local Authority school to Academy

Financial Information Groups October 2016

Overall Aim of the Session

To provide an insight in to the support that Schools Financial Services can provide when a school converts to an academy

School Governors and Senior Leadership team discuss and explore option to convert to an Academy

School Contacts the DfE

- **School Senior Leadership/Governors contact DfE**
- **DfE discusses with them and provides information on practical steps and issues a Conversion pack**
- **DfE allocates a designated officer to assist the school**
- **DfE contacts KCC's Academy Conversion Team**

Official Notification to Local Authority (LA) by DfE when an Academy Order is issued

DfE Contacts LA

When an Academy Order is issued the DfE contact the LA

In an ideal world the school would contact the LA however the Academy Conversion Team often finds out from LA Professionals working in the school

Responsibility - School to contact SFS asap if requires assistance

Academy Conversion team

Conversion team contacts School

- **Academy Conversion Team makes contact with school leadership to discuss implication of converting to an academy and to establish a working relationship**
- **Position Statement issued to SFS when conversion date known**

Responsibility - Conversion team Ana Rowley or Adam Littlefield

Schools Financial Services (SFS) team becomes involved

Statutory Function

Closing School Accounts Guidance for 'Schools Transferring to Academy Status' sent out.

This includes:

- **why the school accounts need to be closed**
- **step by step instructions on how to close down accounts as a school and to establish the final fund transfer figure.**

Responsibility - Returns and Compliance Team SFS

SFS team involved (cont.)

Closing School Accounts Guidance for Schools Transferring to Academy Status

- Retention of records
- Healthcheck
- Documents / reports required by SFS
- School bank account change of signatories
- Bank statements after conversion
- Cancelling regular payments and receipts
- Complete set up form for new academy bank account
- Loan repayments
- Early returns
- Purchase cards

Responsibility - Returns and Compliance Team SFS

SFS team becomes involved (cont.)

Closing School Accounts Guidance for Schools Transferring to Academy Status (cont.)

Prepare final accounts including processing / clearing outstanding items such as:

- final payroll
- final advance
- excepted items
- pay / cancel supplier invoices
- receipt / cancel debtors invoices
- clear petty cash balance
- bank income
- journals
- reconcile bank account
- process VAT returns

Final Balance transfer to new academy account

Responsibility - Returns and Compliance Team SFS

SFS team involved (cont.)

Accounts Package Decision

If the School is staying with FMS then SFS can ensure that the new academy is set up with a new FMS database (cost agreed with EIS) with an appropriate accounting structure

SFS finance package - charge for setting up a standard structure £1500 (includes remote and school visit)

Bespoke structure - charge to be agreed

Responsibility - Contracts /Training team jointly with EIS involvement

SFS team involved (cont.)

Outstanding Loans with KCC

Ensures administration of any Loan is processed appropriately

Liability will need to show in the academy accounts (within the Balance Sheet)

Responsibility - Returns and Compliance jointly with Business Support Team SFS

SFS team involved (cont.)

Budget Setting Tool decision

- If school is continuing with BPS (Budget Planning Software) a new website will be set up
- Contact SFS asap
- Template will be sent for completion by school for BPS set up
- Staffing transferred in line with information supplied by school
- 1 month required to ensure set up completed for conversion date

Responsibility - Training Team /Super Users

School no longer exists, the Academy is the new legal entity!

- Possibly new DfE number
- Possibly new name
- New accounting package
- New bank account
- New BPS used with a new URL link set up for the academy (Consolidation available for MATS)
- Academy funding calculated by the Budget and PVI team and passed to the EFA (Education Funding Agency) for distribution to academy
- Budget templates for Early Years / High Needs Mainstream / SRP / Growth Funding (where applicable) still available on KELSI

Future Finance Training Courses

Comprehensive training courses for all aspects of school finance available to book using CPD online for both schools and academies.

For example:

- BPS inc. Beginners course added for 2017/18
- FMS6
- SFVS
- Strategic courses e.g. Senior Leaders, Embedding Finance in SDP
- Headteacher Induction

Other training available:

- FMS Asset Register
- BACs setup and training
- 1-1 bespoke training
- Programme courses

Please let us know if you have any ideas for future finance training

Helpdesk 03000 415415