



Entrust Finance Services

Protocol for Schools Converting to Academy Status

Learning Outcomes



What you need to be thinking about in your last days as a maintained school



What you should be thinking about when you become an academy



What you'll need to upskill on becoming an academy



Delegated Budgets

- Responsibility still sits with head/governing body (academy trust as well upon conversion)
- Reports made to Department for Education rather than Local Authority



Commercial Transfer Agreement (CTA)

- Between the academy trust, DfE and Local Authority
- Includes Premises Issues, Contracts, Staffing and any deficits/loans outstanding to the LA.

Financial Systems

On conversion to academy you will require a new financial system

If joining a MAT, they will likely require you to use their existing software.

You will need training in this!

If a new MAT, get companies to demo their software.

You may also need some Budgeting software if you were say reliant on a spreadsheet from your LA.

At Entrust we recommend our partner the Access Group for their Budgeting and Accounting software.



Bank Accounts – Day-to Day Account

- Upon conversion you will need a new bank account
- If you are joining an existing MAT they will likely have a central bank account which will do the job
- If you are setting up a new MAT or need a new account for other reasons, you will need to choose a bank
- With regards to choosing a bank:
 - check out the ones offering free banking
 - If you are still banking cash, check where your local branch is.
 - Ask other academies who they use and their experience.
- If you need any help with payments, consider the Entrust Approved BACS Bureau



Entrust Bacs Approved Bureau



Bank Accounts – School Fund Account

What does the School Fund Constitution say? If joining a MAT, what do they say?

If the School fund is to be closed the following procedures should be followed:

- Must ensure that all monies are transferred into the school accounts if appropriate
- School Fund accounts will have to be closed by the authorised signatories.
- If balances are to be transferred to the academy, trustees will need to ensure this is covered by the constitution of the school fund.
- Has the School Fund been registered as a Charity?
- If requiring a new school fund account, timely transfer of funds is recommended
- Audit of School Fund



Balances

- What happens if conversion is part way through the maintained school's financial year?
- Timetable for payment of balances:
 - A number of months for LA to calculate what the total surplus is
 - 1 month for academy to review LA calculations and discuss if necessary
 - 1 month for LA to pay over the surplus
- Review process if required
- Cost of conversion
- Any deficits will carry over and likely will be dealt with as part of the CTA



Financial Closedown of School

- Whatever date you are converting, treat that like your normal year end
- In general, any invoices dated before the conversion date should be paid by the school, any after the conversion date by the academy.
- Consider restricting purchases in the month prior to conversion to aid a clean closedown.
- Costs of Academisation
- Where the school raises an order before the conversion date, but the invoice is not received until after conversion (but dated before) then the invoice will still be paid from the school budget.
- Commitments existing around conversion date
- Check access for LA finance system
- Check any procurement/purchasing cards



Contracts & Licences

- Whatever date you are converting, treat that like your normal year end
- In general, any invoices dated before the conversion date should be paid by the school, any after the conversion date by the academy.
- Consider restricting purchases in the month prior to conversion to aid a clean closedown.
- Costs of Academisation
- Where the school raises an order before the conversion date, but the invoice is not received until after conversion (but dated before) then the invoice will still be paid from the school budget.
- Commitments existing around conversion date
- Timely notice of any licences/contracts not continuing on academsiation
- Check access for LA finance system
- Check any procurement/purchasing cards



Services provided by LAs



Co-ordination of admissions



Monitoring of SEN,
parent partnerships



Prosecution of parents for
non-attendance

Local Authority responsibilities



Provision of education for
pupils no longer registered
in an academy



Home to school transport
(unless academy changes
the school day or term)



Education psychology,
SEN assessment,
statementing and
support services

Payroll

- TUPE transfer of staff will be dealt with separately as part of the CTA.
- Staff will cease to be employed by the local council at the date of conversion.
- The academy will need to make new arrangements for payroll, pensions and contracts. If joining a MAT they will likely have these in place.
- If forming a new MAT please contact us if you would like to see what options we suggest with regard to payroll.
- Costs can come from Start Up Grant



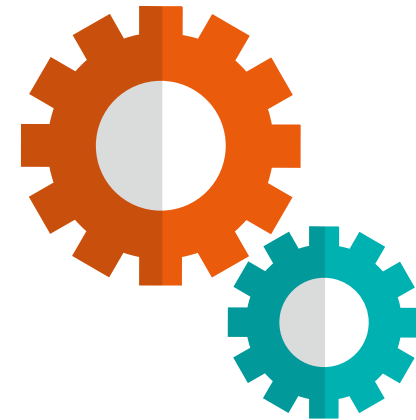
Income

- Collect outstanding income and bank by the conversion date.
- Any debts you will not be able to collect should be written off
- If academy receives income relating to when the school was maintained, ensure the income is paid into the LA bank account
- Communicate with hirers of the school premises (i.e. lettings) and any other customers
- The academy will need to enter into new agreements with hirers from the date of conversion.



Assets

- On conversion, assets will be transferred from the school to the academy as per CTA
- Assets remaining for services, such as cleaning and catering, may be removed dependent on who provides such services to the academy
- Asset Register of smaller assets (eg ICT)
- Please check if you require any valuations doing



Miscellaneous & Wrap-Up

- Rates
- Secure Data Transfer and Storage
- Data from your MIS
- TV Licenses
- Unused controlled stationery
- Document Retention
- Training for staff and governors on new requirements and responsibilities



Entrust Support

SRM Space can help with the transition to academy

Introductions available to:

- Various annual academy returns such as year end
- Academy Management Accounts
- Audit
- Balance Sheet
- VAT

Entrust can also help with the doing as well as the training. Please contact us for further information if you'd like our expert help and assistance with any of your academisation needs.

Our Services



Education Improvement

- School Improvement Services
- Governor Services
- Learning and Skills
- SEND Support
- Early Years
- Safeguarding and Wellbeing



Learning & Skills Development

- Adult Education Budget
- STEM
- Careers Guidance



School Support Services

- Catering
- Cleaning
- Grounds Maintenance
- Property
- Finance
- HR



Education Technologies

- Data Compliance & Management
- Safeguarding Everyone
- Keeping You Connected
- Maximising Your Budget
- Help Desk
- Technical Support



Pupil Experiences

- Outdoor Education
- Music
- Work Experience
- Holiday Hubs

Find out more...

To find out more about our services please call 0333 300 1900 or email enquiries@entrust-ed.co.uk

www.entrust-ed.co.uk