



Academy

Internal Controls Evaluation

Report 1 of 2

2020-21






Academy Name: Chelmsford County High School for Girls
Date of Review: January 2021

Enabling teachers to teach

INTERNAL CONTROLS EVALUATION (ICE)

This report relates to the first of a programme of two Internal Controls Evaluation reviews. All findings contained in this report should be considered by the academy's committee responsible for providing assurance over the suitability of, and compliance with, the financial systems and operational controls in place.

Key:

-  High Priority: Trustees/Governors must review this recommendation as a priority.
-  Medium Priority: Internal controls should be strengthened to minimise risk.
-  Low Priority: Internal control could be strengthened in line with best practice, but little risk of material loss.
-  For information.
-  Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.

The Juniper Education Academy ICE Service can provide assurance that appropriate financial controls are being operated within the academy, based on the understanding that the information provided during the review is accurate and complete. It should be noted however that recommendations to improve financial controls, if implemented, cannot guarantee that fraud or misappropriation could not occur.

Please note that this report is an exception report, and therefore, only contains the details of any issues arising.



Where appropriate this report contains references to the Academies Financial Handbook (AFH) effective 1st September 2020, and the Anti-Fraud Checklist for Academy Trust's updated by the Education & Skills Funding Agency (ESFA) March 2018 and the Self Resource Management Self-Assessment Tool (SRMSAT).

It is advised that an action plan be established to address areas of risk identified within this report, with an associated owner and a timeline for implementation. If trustees / governors decide not to implement any recommendation included in this report as high priority, the rationale should be formally recorded in the minutes of a board of trustees / governing body meeting.

SECTION A: GOVERNANCE, FINANCIAL MANAGEMENT & REPORTING

Scope of Work	
A1: Financial Oversight:	<ul style="list-style-type: none"> • appointment of statutory auditors • appointment of the clerk to the board • Scheme of Delegation of Financial Powers • finance governance and Terms of Reference
A2: Financial Planning and Monitoring:	<ul style="list-style-type: none"> • budget forecast return • academy budget • 'approved budget' changes
A3: Transparency:	<ul style="list-style-type: none"> • "Get Information About Schools" register • register of Persons with Significant Control • individual declaration of interests • managing related party transactions • publication of member & trustee interests and other required information on the academy website
A4: Gifts:	<ul style="list-style-type: none"> • gifts & hospitality received • gifts & hospitality given
A5: Expenses:	<ul style="list-style-type: none"> • policy
A6: Risk Management:	<ul style="list-style-type: none"> • Register of Operating Risks and schedule of review
A7: Internal Scrutiny:	<ul style="list-style-type: none"> • audit - governance • whistleblowing • follow up of previous 'high priority' ICE recommendations • review of statutory audit Management Letter
A8: Financial Management & Governance Self-Assessment (FMGS)	<ul style="list-style-type: none"> • ESFA reporting compliance

	Findings	Recommendation / Notes	Action Plan
	A1: Financial Oversight		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	A2: Financial Planning and Monitoring		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	A3: Transparency		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	A4: Gifts		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	A5: Expenses		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		

	Findings	Recommendation / Notes	Action Plan
	A6: Risk Management		
	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	A7: Internal Scrutiny		
	<u>Audit Committee</u>		
	One trustee on the Facilities & Finance Committee is also a member of staff (M Rowell).	Section 3.11 of the Academies Financial Handbook states where the academy operates a combined Finance and Audit Committee employees may be members but should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.	

SECTION B: BANKING

Scope of Work	
B1: Internal Control:	<ul style="list-style-type: none"> • bank account structure • payment authorisation procedures • separation of duties (including online banking and BACS payments) • security of cheque and BACS payments
B2: Cash Management:	<ul style="list-style-type: none"> • bank reconciliations – frequency & review process • sample testing of bank reconciliations

	Findings	Recommendation / Notes	Action Plan
	B1: Internal Control		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	B2: Cash Management		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		

SECTION C: INCOME

Scope of Work	
C1: Receipt of Payments from Students and Parents	<ul style="list-style-type: none">• income processing policy & procedures
C2: Generated Income	<ul style="list-style-type: none">• income policy & procedures for generated income
C3: Internal Control – (Income Sample)	<ul style="list-style-type: none">• financial discipline• audit trail• completeness of income• financial monitoring of activities• segregation of duties

	Findings	Recommendations / Notes	Action Plan
	C1: Receipt of payments from Students and Parents		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	C2: Generated Income		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	C3: Internal Control – (Income Sample)		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		

SECTION D: PAYROLL & EXPENSES

Scope of Work	
D1: Payroll Processing:	<ul style="list-style-type: none"> • payroll provider contract / SLA • process of independent review • sample testing of staff contracts and payments
D2: Mileage and Subsistence Payments:	<ul style="list-style-type: none"> • authorisation • payment

	Findings	Recommendation / Notes	Action Plan
	D1: Payroll Processing		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	D2: Mileage and Subsistence Payments		
<input type="radio"/>	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		

USEFUL NOTES

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Useful information for you.... Juniper Education's Internal Control Evaluation (ICE) service is only part of the overall Financial Governance package available to academy trusts. Our **Governor Services** Team can provide your governing body with updates on national guidance, compliance support, assistance with governor recruitment and advice on technical procedures; from complaints to student exclusions.

Our **Clerks** have a wealth of knowledge about governance, access to the latest developments in educational legislation and a wealth of templates and other resources to support your governing body. If you already subscribe to Governor Services click <https://junipereducation.org/login/> to access model policies and other resources available to you.

Courses available..... Juniper Education offer bespoke governor finance training and Headteacher / Senior Leader Finance Training – please ask for details. Alternatively, details of all courses being offered can be found on <https://www.junipercpd.org/cpd/>

KEY CONTACTS

Juniper Education Review Consultant	Sian Smith
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Chair of the Board of Trustees	Steve Miles
Chair of Facilities & Finance Committee / Responsible Officer	Richard Vass
Headteacher / Accounting Officer	Stephen Lawlor
School Business Manager	Melissa Mulgrew
Financial Accounting System	PSF



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