

Internal Scrutiny Report

Financial

2022-23

Chelmsford County High School for Girls

April 2023

Executive Summary

This report provides assurance that adequate controls are being operated within the trust, based on the understanding that the information provided during the review is accurate and complete. It should be noted however that recommendations to improve controls, if implemented, cannot guarantee that fraud or misappropriation could not occur.

Recommendations raised in the report issued should be considered by the board of trustees / Audit and Risk Committee to assist them in providing assurance over the suitability of, and compliance with, the systems and operational controls in place.

No fraud was identified or reported to us for the 2022-23 period. It remains the responsibility: of management to manage the control environment to help identify potential fraud and prevent the likelihood of fraud occurring.

Introduction

The Academy trust handbook section 3.1 specifies “all academy trusts **must** have a programme of internal scrutiny to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively”. Providing that the trust has selected a scope of work for financial and non-financial controls and has considered its risk register, this Internal Scrutiny Report demonstrates how the trust meets the Academy trust handbook 2022 internal scrutiny requirements.

Please note that this report is an exception report and therefore only contains the details of any issues arising from the review of the scope of work detailed below.

Scope

The relevant board, informed by its risk register approved the below scope of work:

Banking
Review to establish the effectiveness of the controls and processes for banking and BACS transactions.
Bank Account Structure
Authorised Signatories
BACS
Bank Reconciliation
Sample testing of bank reconciliations
Cheque payments
Unresolved Issues

Income
Review to determine the controls and process in place for income and, if applicable, testing to determine the effectiveness of the controls.
Income processing policies and procedures
Generated Income
School Meals
Trips and activities
Online income from students and parents
Unresolved issues

Individual recommendations Key:

High Priority	Trustees 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.
Note/area of consideration	Comment for information only.

Summary of Findings

RAG	Finding	Recommendation
Banking		
	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.	
Income		
	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.	

Notes / Areas for Consideration

Banking	
Bank reconciliations	As at the date of the review, the most recently completed bank reconciliation included four unreconciled cheques which are over six months old: Cheques not presented for payment within six months of being raised should be considered for cancellation and re-issued if necessary.

Key Contacts

Juniper Education Review Consultant	Sian Smith
Juniper Review Programme Manager	Joanne Ward FCCA
Information Provided by	Senior Finance Officer (F Gilmour)
Exit meeting attended by	Senior Finance Officer (F Gilmour)
Chair of the Board of Trustees	S Miles
Chair of the Finance Committee	R Vass
Headteacher / AO	S Lawlor
Business Manager / CFO	M Mulgrew
Financial Accounting System	PSF

EMERGING ISSUES

INTEGRATED CURRICULUM AND FINANCIAL PLANNING (ICFP)

Integrated curriculum and financial planning is a management process that helps schools plan the best curriculum for their pupils with the funding they have available. It can be used at any phase or type of school. ICFP involves measuring your current curriculum, staffing structure and finances, and using the data to create a 3- to 5-year plan. Linking curriculum and financial planning can help you: achieve educational success and financial sustainability; deliver the best curriculum your school can afford that meets the needs of your pupils.

Free ICFP tools are available for different school types on the DofE website. Juniper is also able to offer an ICFP Health Check as part of your trust's internal scrutiny program, . If you would like more information about this, please contact carly.quickcrockford@junipereducation.org

CYBER SECURITY

Cyber security has continued to be a growing area of concern and risk over the past 18 months, with more people working remotely and an increased frequency of email hacking, phishing and malvertising. The July 2020 [governance update](#) advises that schools should include an assessment of cyber security within their risk registers, and the ESFA have produced further guidance and suggested questions that trustees can ask on the [National Cyber Security Centre website](#).

GDPR

An increasing number of schools are incurring unplanned costs, both direct and indirect, because of the increase in basic, and easily avoidable, data protection incidents and poorly managed school communications. This is combined with the increasing awareness of data subject of their right to bring a claim [on average in the order of £5,000 per claimant], directly against a school, leading to considerable potential risk to a school. Our GDPR associate has created a briefing video which helps you understand the changing risk to your school and employ some basic strategies and resources to help mitigate them and protect your school against unplanned costs. If you would like access to this briefing, please contact carly.quickcrockford@junipereducation.org

USEFUL LINKS

ACADEMY TRUST HANDBOOK

The Academy trust handbook 2022 is effective from September 2022. Trustees should ensure that they have read this document and noted any changes to ensure any new requirements are adhered to.

[ATH 2022 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

INTERNAL SCRUTINY IN ACADEMY TRUSTS

This good practice guide provides guidance for trustees, audit and risk committees, accounting officers, and chief financial officers (CFOs) in academy trusts.

[Internal scrutiny in academy trusts - GOV.UK \(www.gov.uk\)](https://www.gov.uk)