

# Juniper

## Academy Internal Controls Evaluation Report 1 of 2 2020-21

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

	Findings	Recommendation / Notes	Action Plan
	<b>A1: Financial Oversight</b>		
<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.		
	<b>A2: Financial Planning and Monitoring</b>		
<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.		
	<b>A3: Transparency</b>		
<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.		
	<b>A4: Gifts</b>		
<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.		
	<b>A5: Expenses</b>		
<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
	<b>A6: Risk Management</b>		
○	Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.		
	<b>A7: Internal Scrutiny</b>		
	<b><u>Audit Committee</u></b>		
●	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	
<b>B1: Internal Control:</b>	<ul style="list-style-type: none"> <li>• bank account structure</li> <li>• payment authorisation procedures</li> <li>• separation of duties (including online banking and BACS payments)</li> <li>• security of cheque and BACS payments</li> </ul>
<b>B2: Cash Management:</b>	<ul style="list-style-type: none"> <li>• bank reconciliations – frequency &amp; review process</li> <li>• sample testing of bank reconciliations</li> </ul>

	Findings	Recommendation / Notes	Action Plan
	<b>B1: Internal Control</b>		
<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.		
	<b>B2: Cash Management</b>		
<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	
<b>C1: Receipt of Payments from Students and Parents</b>	<ul style="list-style-type: none"><li>• income processing policy &amp; procedures</li></ul>
<b>C2: Generated Income</b>	<ul style="list-style-type: none"><li>• income policy &amp; procedures for generated income</li></ul>
<b>C3: Internal Control – (Income Sample)</b>	<ul style="list-style-type: none"><li>• financial discipline</li><li>• audit trail</li><li>• completeness of income</li><li>• financial monitoring of activities</li><li>• segregation of duties</li></ul>

	Findings	Recommendations / Notes	Action Plan
	<b>C1: Receipt of payments from Students and Parents</b>		
<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.		
	<b>C2: Generated Income</b>		
<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.		
	<b>C3: Internal Control – (Income Sample)</b>		
<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	
<b>D1: Payroll Processing:</b>	<ul style="list-style-type: none"> <li>• payroll provider contract / SLA</li> <li>• process of independent review</li> <li>• sample testing of staff contracts and payments</li> </ul>
<b>D2: Mileage and Subsistence Payments:</b>	<ul style="list-style-type: none"> <li>• authorisation</li> <li>• payment</li> </ul>

	Findings	Recommendation / Notes	Action Plan
	<b>D1: Payroll Processing</b>		
<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.		
	<b>D2: Mileage and Subsistence Payments</b>		
<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

# Juniper

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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

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<b>Chair of Facilities &amp; Finance Committee / Responsible Officer</b>	Richard Vass
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