

Multi Academy Trust / Academy Internal Controls Evaluation (ICE) Service Two Visit Scope of Work

Juniper Education provide an Internal Controls Evaluation Service for more than 100 academies at present and are looking to continue to grow this side of the business. The work undertaken in academies is designed to support the following requirements of academy trusts:

a) trusts must have a programme of internal scrutiny to provide independent assurance to the board that its financial and others controls, and risk management procedures, are operating effectively (Section 3.1 of the Academies Financial Handbook). The service we provide supports audit committees or other committees with delegated audit responsibility and/or appointed Responsible Officers in complying with this requirement.

b) The academies Accounting Officer's 'statement on regularity, propriety and compliance' which must be included in the academy trust's annual report, Section 4.13 of the Academies Financial Handbook.

The standard programme of work includes three on-site visits during an academy's financial year, which are normally one visit each term. Visit dates would be agreed in advance to try and ensure key academy staff are available which will help each visit run smoothly. Prior to each visit a detailed list of the required supporting information and documentation will be sent to the academy to aid preparation. We also offer a **two (see detail below)** and bespoke visit programmes of work.

Our team of ICE Review Consultants include a number of professionally qualified accountants who have experience of working in both commercial and educational establishments.

Standard Internal Controls Evaluation (ICE) templates are used to review and test an academy's internal controls and procedures. These templates are regularly reviewed and updated to incorporate legislative changes, updated ESFA guidance, and guidance offered by statutory auditors. The evaluation is designed to provide members/trustees/local governors of academies with a level assurance that appropriate financial controls are in place within the academy trust for which they have responsibility, and include testing of adherence to the approved Schemes of Delegation of Financial Power and compliance with the Academies Financial Handbook.

A flexible approach is offered to academies and multi academy trusts, and we will customise our programme of work to suit the requirements of an audit committee. Additional work can be undertaken if agreed in advance, for which there will be an additional cost. Any change to the standard programme must be discussed with Jane Monaghan, Senior Review Consultant, by email jane.monaghan@junipereducation.org or by phoning our helpdesk on 01245 968375.

A brief outline of the two programme of work for 2019/20 is as follows:

Visit 1

A : Governance, Financial Management and Reporting	
Financial Oversight	Appointment of Accounting Officer (newly formed multi academy trusts only)
	Appointment of Chief Financial Officer (newly formed multi academy trusts only)
	Appointment of statutory auditors
	Scheme of Delegation of Financial Powers
	Finance governance and Terms of Reference
Financial Planning and Monitoring	Budget forecast return
	Investment policy (newly formed multi academy trusts only)
Budget Monitoring	Academy / multi academy trust budget
	'Approved budget' changes
Reporting to Trustees	Financial reports
	Reporting responsibilities
Transparency	Get Information About Schools register
	Register of Persons with Significant Control
	Member & trustee declaration of interests
	Staff declaration of interests
	Managing related party transactions
	Publication of member & trustee interests and other required information on the academy / multi academy trust website
Gifts (received and given)	Policy
	Register
Expenses	Policy
Risk Management	Register of Operating Risks and schedule of review
Internal Scrutiny	Audit - governance
	Follow up of previous 'high priority' ICE recommendations
	Review of statutory audit Management Letter
Financial Management & Governance Self-Assessment	ESFA reporting compliance (applies to newly formed multi academy trusts or academies joining a multi academy trust only)

B: Banking	
Internal Control	Bank account structure
	Payment authorisation procedures
	Separation of duties (including on-line banking and BACS payments)
	Security of cheque and BACS payments
Cash Management	Bank reconciliations - frequency & review process
	Sample testing of bank reconciliations

C: Income	
Receipt of Payments from Students and Parents	Income processing policy & procedures
Generated Income	Income policy & procedures for generated income
Internal Control – (Income Sample)	Financial discipline
	Audit trail
	Completeness of income (including arrears)
	Financial monitoring of activities
	Segregation of duties

D: Payroll	
Payroll Processing	Payroll provider contract/SLA
	Process of independent review
	Sample testing of staff contracts and payments
Mileage and Subsistence Payments	Authorisation
	Payment

Visit 2

E: Governance and Financial Accounting	
Internal Scrutiny	Review of internal controls evaluation scope of work
	Review of internal controls evaluation reports
	Review of 'Dear Accounting Officer' letters
	Frequency of board and committee meetings
	Follow up of previous 'high priority' ICE recommendations
	Review of statutory audit Management Letter

F: Expenditure	
Internal Procedure	Delegated authorisation levels
	Purchase cards
	Petty cash
Proper and Regular Use of Public Funds	Value for money procedures
	Quotations & annual contracts
	Tenders
Internal Control	Sample testing of purchase orders & invoices
Related Parties	Recognising related parties
	Related party transactions
Tax Implications	Payments made to individuals for HMRC compliance

F: Assets	
Fixed Assets & Inventory	Policy (newly formed multi academy trusts only)
	Register
	Physical check
Disposals	Disposals

G: Payroll	
Payroll Processing	Authorisation
	Contract change approval & segregation of duties
	Sample testing of salary payments to staff

Note: the above list is subject to constant review and change based on updated guidance. Other areas of internal control may be reviewed at the discretion of the ICE Review Consultant.

We aim to deliver a report within 10 working days, the content of which will be discussed with a representative of the multi academy trust / academy at the close of the visit.