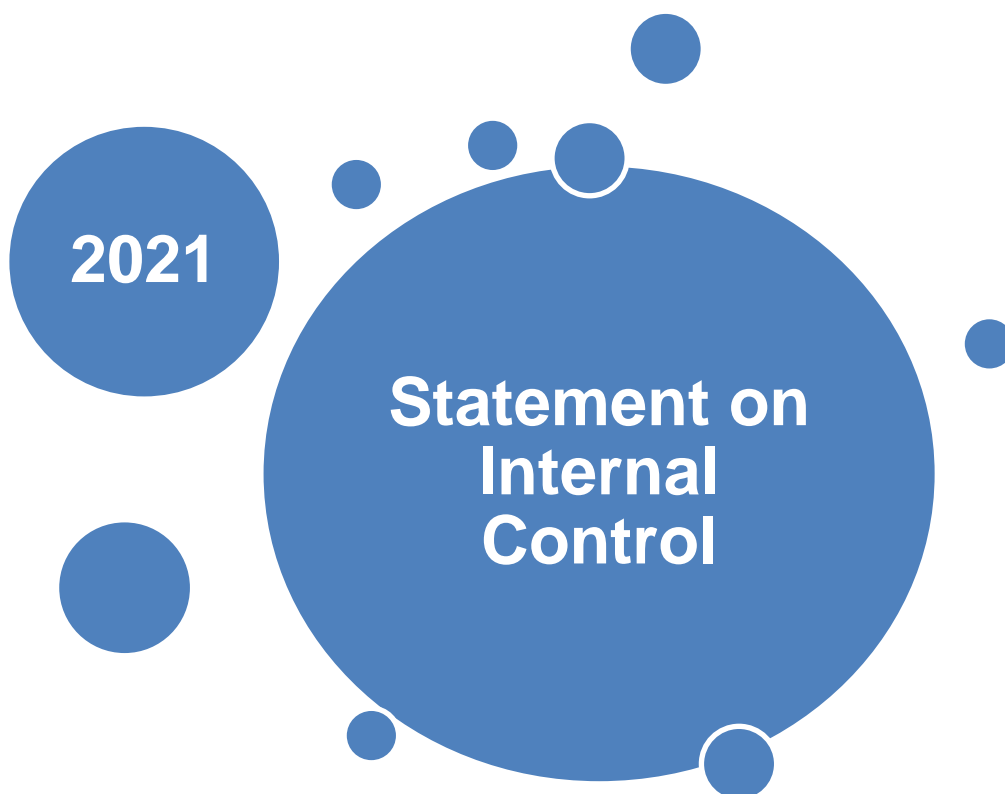


# The ContinU Plus Academy



### **Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that The ContinU Plus Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The ContinU Plus Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them efficiently, effectively and economically.

### **Capacity to Handle Risk**

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that is in place. This process is regularly reviewed by the Governing Body.

## **The Risk & Control Framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties, a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- Regular reviews by the Governor R & A Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

## **Sources of Assurances**

During the year the R & A Committee will receive regular reports informing of the economy, efficiency and effectiveness of the use of resources. Reports detailing the financial performance of the school during the period are regularly produced identifying areas for concern where they exist.

The Responsible Officer (RO), with support from the SBM, carry out a programme of internal audit activities to review systems and processes in place during the year and publishes reports detailing specific actions to ensure economy, efficiency and effectiveness of the use of resources is maintained. The outcome of these reports and the recommendations therein are discussed at the R & A Committee and identify their perceived level of risk to the school.

This process will be supplemented by the external audit reports which provide assurance on the schools arrangements for achieving economy, efficiency and effectiveness in its use of resources.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis the RO reports to the R & A Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

## **Review of Effectiveness**

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the Responsible Officer;
- The work of the External Auditor;
- The financial management and governance self-assessment process

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Governors R & A Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

## Conclusion

No significant control issues have been identified.

Approved by Chair of R & A Committee: \_\_\_\_\_

Date:

Signed: ..... (Headteacher) ..... (Date)

Signed: ..... (Chair of Governors) ..... (Date)