



Ridgeway Primary School

Statement of Internal Controls

Introduction

The Statement of Internal Control (SIC) sets out the processes that are in place to ensure effective financial management of the school and its resources. Discussion of the SIC by the governing body, and its signature by the head teacher and key governors, demonstrates that they acknowledge responsibility for financial management of the school and take that responsibility seriously. This provides third parties with reasonable assurance that all the funds managed by the school have been properly controlled and accounted for.

The SIC makes it clear that “absolute” assurance can not be given as internal control systems, no matter how sophisticated, can not prevent or detect all errors or irregularities.

The SIC can be signed at anytime throughout the year and should relate to the financial out-turn for the previous financial year as it refers to the annual CFR Return.

Format of Statement

Paragraph 1: Explains the governing body’s responsibilities

Paragraph 2: Explains the limitations of control systems

Paragraph 3: Explains how the governing body has satisfied itself that the controls are adequate

Paragraph 4: Confirms that the governing body is satisfied that the internal controls were adequate during the year. If there are any serious concerns these should be listed briefly.

Paragraph 5: If there are any serious concerns identified in paragraph 4, the steps that will be taken in the next year to rectify these weaknesses.

Deciding whether to sign the SIC

The governing body should sign the SIC when it feels it has the appropriate evidence. This can be informed by:

- Their own monitoring of financial management and scrutiny of financial reports
- Their regular meetings with the head teacher
- Any recent report by on the school’s finances by the Local Authority appointed auditor
- An annual self-evaluation of the internal control system

Self evaluation of Internal Control system

Internal Audit have prepared a Financial Controls Checklist which can be used by finance staff to assess the internal controls and report back to governors. This is available on the Staffordshire Learning Net.

When should a weakness be disclosed?

Governors should consider:

- How likely is the risk?
- Likely impact of the risk?
- Cost of any action to reduce the risk?
- Whether this cost is justified and proportionate to the risk?

Only high priority risks should be disclosed in the SIC – those which are reasonably likely and have a reasonably high potential impact on the school. If the school is uncertain as to whether to disclose they may like to discuss this with Internal Audit. Such high priority risks should also be reported formally to the JFU as they may affect the return of the s.151 officer.

Statement of Internal Control
for Ridgeway Primary School 2019 - 2020

1 This statement relates to the Consistent Financial Reporting (CFR) Return for the Ridgeway Primary School for the year ended 31st March 2019.

The governing body is responsible for ensuring that the school:

- Keeps proper accounting records during the year which will disclose, with reasonable accuracy and at any time, the financial position of the school, have been drawn up in accordance with the DfES' (CFR) guidelines, and will enable it to prepare an annual income and expenditure statement that complies with DfES guidelines
- Maintains and operates an effective system of internal control to safeguard all the resources delegated, granted or otherwise entrusted to the school and ensure they are used cost effectively

2 The system of internal control has been developed and is coordinated by the Headteacher. It aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded and that material errors or irregularities are either prevented or can be detected promptly

3 Our review of the effectiveness of the systems of internal control is informed by:

- Our regular scrutiny of financial and other performance monitoring data
- Regular reports from the head teacher and other managers to the governing body
- The most recent report of the school's internal auditor dated (**11th April 2018**)
- Our most recent self-evaluation of the internal controls undertaken (**22nd October 2019**)

4 **We are, therefore, satisfied that the internal control systems in operation at the school during the year were adequate and effective**

We will continue to ensure that:

- *Where a tender process is not followed for any works with a cost of over £15,000 and under £40,000 the head teacher will report the full details of the contract and why the decision was made not to tender to the next Resources committee meeting using the waiver form in Annex A of the Procurement Regulations for Schools July 2016.*
- *Where more than one quote is included in any order for works these will be invoiced separately.*
- *A financial limit of £25,000 will be put in place for spending with any one contractor beyond which further approval will need to be sought from the Governing body;*
- *All sports lettings will be subject to a VAT charge;*

By order of the Governing Body of Ridgeway Primary School

(Signed) _____
(Head Teacher)

Dated _____

(Signed) _____
(Chair of Governing Body)

Dated _____

(Signed) _____
(Chair of Finance Committee of the Governing Body)

Dated _____

Note: The sections in brackets and (*italics*) need tailoring to reflect the schools particular circumstances