
THE FIRS LOWER SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Firs Lower School 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 Board of Trustees 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 Firs Lower School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Gareth Jones, Chair of Trustees	5	6
Mr Adam Campbell, Headteacher and Accounting Officer	6	6
Mrs Fran Sherry, Staff Trustee	6	6
Mr Paul McKinney	5	6
Mrs Annette Anderson	2	2
Mrs Louise Haigh	3	3
Mr Jeremy Ramsden	0	4
Mr Jonathan Wilson	5	6
Dr Jason Hart	4	6
Mr Jason Manley	2	2
Mr John Ashley	2	2

As from September 2018 The Governing Body change to the preferred DfE model of governance and the new structure adopted is with 5 Trustees overseeing the work of the Governors who will perform as members.

Governance reviews:

The committee reviews the "must haves" on an annual basis and reviews the risk register twice a year.

The Governors undertook a Governing Body Health Check using a check list as a process of self evaluation.

The **Environment and Finance Committee** is a sub-committee of the main board of Trustees. Its purpose is to

1. Assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.
2. Make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Jonathan Wilson - Chair	6	6
Mr John Ashley	1	1
Mr Adam Campbell - Headteacher	6	6
Mrs Fran Sherry - Staff Governor	5	6
Mr Philip Clarke	3	4

Mr Philip Clarke resigned after the March Committee meeting and Mr John Ashley was appointed from May 2019. Mrs C Bennett also attended all of the above meetings in her role as School Business Manager.

During the course of the year the Environment and Finance Committee reviewed all the monthly finance reports against budget and cash flow statements. The finance risk register was reviewed and discussed in full at Committee meetings on 18 October 2018 and the 30 January 2019. The main risks that were monitored during the in-year were budgetary risks surrounding the School and Preschool. The uncertainty surrounding Central Government funding for schools for future years. The risks associated with the capital build of the new pre-school building.

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

- The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plan. Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will support the school's efforts to continuously improve standards achieved and services provided.
- Governors and school leaders have adhered to the purchasing procedures which are laid down in The Firs Lower School Finance Manual. Goods and services have been obtained which provide "value for money" in terms of the school purchasing what it needs in the correct quantity, the appropriate quality and at the time the best price possible.
- The Governors reviewed its Pre school and Kids Club Charges. The schools charges were bench marked against a number of local providers and it was decided to increase them slightly but keep them just below other local providers.
- The school has implemented parent pay across all its income collection areas which has improve prompt and complete cash collection

GOVERNANCE STATEMENT (CONTINUED)

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Firs Lower School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and 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 Board of Trustees
- regular reviews by the Finance and General Purposes 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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mrs Elizabeth Owen a qualified accountant, a former Governor at The Firs Lower School and Chair of the Finance Committee, to the role of Responsible Officer, a Trustee, to carry out a programme of internal checks.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Testing of income system
- Testing of payroll system
- Testing of bank accounts and petty cash reconciliations
- Testing of purchasing system & review of contracts
- Review of risk register
- Review of VAT control account
- Review of monthly management accounts

On a semi-annual basis, the reviewer reports to the Board of Trustees through the Governing Body on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

As Accounting Officer, the Headteacher 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 reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Governing Body committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees and signed on their behalf by:


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Mr Gareth Jones
Chair of Trustees


.....
Mr Adam Campbell
Accounting Officer

Date: 3/12/19