

**RIBBON ACADEMY TRUST
YEAR ENDED 31 AUGUST 2021
ANNUAL SUMMARY OF INTERNAL SCRUTINY REPORTS**

The purpose of this summary is to provide your board of trustees with details of our internal assurance work in the period in order to assist you with compliance sections 3.15 and 3.23 of the Academies Financial Handbook 2020. The trust must submit an annual summary report of findings, recommendations and conclusions to the ESFA along with its annual accounts. This report summarises the work we have done in compliance with 3.15, if the trust has had any other internal scrutiny work carried out by other parties in the period, then you will also need to incorporate this into your annual summary to fully comply with 3.23.

AREAS REVIEWED IN THE PERIOD TO 31 AUGUST 2021

The areas covered in the period following consultation with trustees were as follows:

- Follow up on findings from previous reports
- Register of pecuniary interests
- Website review
- Financial procedures, accounting records and systems
- Bank reconciliations and change of supplier details
- Month end and year end procedures
- Bank procedures
- Payroll, joiners and leavers
- Credit cards and expense claims
- Procurement
- Assets
- Gifts and hospitality
- Monthly management reporting
- Cash banking
- Non-GAG grant income
- VAT and corporation tax
- Other income

KEY FINDINGS

During the period, we identified no high risk, two medium risk and six low risk findings.

Medium risk (“merits attention”) findings

The medium risk findings, recommendations your responses and status as at 31 August 2021 are as follows:

Issue	Recommendation	Management Response	Responsibility	Deadline date	Status as at 31 August 2021
Bank Reconciliations					
December 2020 & January 2021 bank reconciliations were not complete until March 2021.	It is recommended that bank reconciliations are prepared on a timely basis.	The completion of bank recs was delayed due to the January lockdown (access to ICT, paperwork and the necessary staff to have it signed off). We would expect that under normal circumstances, bank reconciliations would be completed within a month as part of the month end accounts procedures.	N/A	As soon as possible	Resolved

Low risk (“housekeeping”) findings

The low risk findings, recommendations your responses and status as at 31 August 2021 are as follows:

Issue	Recommendation	Management Response	Responsibility	Deadline date	Status as at 31 August 2021
Website review					
One item could not be identified on the website during our sample testing: The Terms and Conditions of use for website could not be seen.	It is recommended that the website is updated to ensure compliance with the latest Finance Handbook and DfE guidelines.	We were unaware that these were requirements and they have been rectified immediately.	N/A	As soon as possible	Resolved
Bank Reconciliations					
There was no evidence of the date of approval for the bank reconciliations September 2020 – February 2021.	It is recommended that bank reconciliations are dated during the authorisation process to prove authorisation occurs in a timely manner.	Documents automatically show the dates they are printed so we did not realise the signatures needed to include the date too. They are to be dated by each person authorising the bank reconciliation with immediate effect.	N/A	As soon as possible	Resolved

Debit card and expense claims					
Two of five requisition forms tested were dated after the date of purchase and two of the five tested did not have a receipt or supporting documentation.	It is recommended that all debit card purchases requisition forms are complete prior to purchasing as per the procedures in the FHB and supporting documentation is obtained for all purchases.	Staff are to be reminded of the requirement to submit a purchase order requisition in advance, as well as the requirement for all receipts to be retained.	N/A	As soon as possible	Resolved
Assets					
Two loan forms to staff were reviewed and one did not have the employee signature on the form.	It is recommended that all asset loan forms are fully complete and signed by the staff/pupil/parent.	All loan forms to be reviewed immediately and staff reminded of the need to check they are completed in full before equipment is distributed.	N/A	As soon as possible	Resolved
Cash Banking					
Four cash banking paying in slips were reviewed and it was identified that one did not have signatures of both staff members on the paperwork when counting the cash on the cash record spreadsheet.	It is recommended that the Finance Policy is followed ensuring both members of staff sign the cash record sheet when counted.	This was a one-off oversight and staff have been reminded that both signatures are required in all instances.		As soon as possible	Resolved

Monthly Management Reporting and KPIs					
The Chair of the Trust is not evidencing receiving/discussing the management month end pack in a timely manner.	It is recommended that the month end pack when discussed with the Chair monthly is signed and dated in a timely manner. This can be electronic authorisation, physical or even minuting the meeting.	Meetings with the chair have, on the whole, been held virtually during lockdown so the signing of documents was done as and when possible. This meant that they did not always appear to be done in a timely fashion. Meetings are being held face to face and on a regular basis this academic year so the documentation should be more consistent.	Chair/HT/SBM	Sep 21	Ongoing – to be reviewed in 2021/22

Advisory points

We also identified three advisory points during the year, whilst not identified as risks or significant matters, they were deemed to be areas where the trust should consider implementing best practice.

Matters raised in previous year

All matters raised in 2019/20 were satisfactorily resolved in 2020/21.

PLANS FOR YEAR ENDING 31 AUGUST 2022

We will discuss plans with you for the 2021/22 internal assurance programme shortly, addressing previously raised risks and areas that you would like us to cover across our forthcoming reviews.