

## REVIEW OF VALUE FOR MONEY

Organisation name: The Silver Birch Academy

Company number: 8107310

Year ended 31 August 2016

As accounting officer the CEO & Executive Head Teacher has responsibility for ensuring that the Trust 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 Trust's use of its resources has provided good value for money during each academic year, and reports to the governing body where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year as evidenced by the following:

- The Trust has ensured that resources are directed where they are most needed to meet education requirements.  
Chingford Hall Primary Academy has been judged as outstanding by Ofsted and Whittingham Primary Academy has been judged as outstanding for leadership and management, early years and the personal development, welfare and behaviour of pupils.
- The Trust has been working with its school improvement specialists to improve the quality of teaching and learning at Longshaw Primary Academy since its conversion to academy and has significantly addressed its financial status and the safeguarding concerns identified on conversion.
- The Trust has continued to its strategic plan of investment in ICT hardware and infrastructure. This provides a better educational experience for pupils as they have a wider range of more reliable technology available, whilst also reducing the amount of time being spent on IT repairs and maintenance and increasing the amount of time our support can spend on improving the teaching and learning environment.
- The Trust continues to generate income from letting out the school premises. Facilities have been let to trade bodies and non for profit organisations to raise additional revenue.

## 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 Trust 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 Trust for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

## CAPACITY TO HANDLE RISK

The governing body has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

## 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 [insert relevant body] 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 Strictly Education as Responsible Officer (RO).

The RO'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 payroll systems
- testing of purchase systems
- testing of income and control account

## REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO 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 auditors;
- 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 RO 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 on and signed on their behalf, by:

Patricia Davies  
Accounting Officer

A handwritten signature in black ink, appearing to read "Patricia Davies". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

