

NETHERAVON ALL SAINTS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Netheravon All Saints Academy Trust 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 Netheravon All Saints Academy Trust 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 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
D Georgeson (Chair)	5	5
F Middleton (Foundation)	4	5
P Russell (Foundation) (Resigned 21 March 2018)	2	2
L Tight (Headteacher and accounting officer) (Resigned 31 March 2018)	1	3
I Thornton (Foundation)	4	5
G Hunt (Foundation)	3	5
M Frank (Chair of finance) (Resigned 8 December 2017)	2	2
R Nashwalder (Staff trustee)	4	5
T Matthews (elected parent governor) (Resigned 8 December 2017)	0	2
E Quin (elected parent governor) (Resigned 17 July 2018)	1	5
R Cao (co-opted governor) (Resigned 13 March 2018)	1	2
NV C Jackaman (Foundation) (Appointed 24 May 2018)	2	2
AL Gordon (Elected parent governor) (Appointed 25 May 2018)	1	2
M Lloyd (Elected parent governor) (Appointed 26 February 2018 and resigned 24 April 2018)	1	1

NETHERAVON ALL SAINTS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The Full Governing Body delegated responsibility for detailed work to the following sub committees:

Teaching & Learning

Finance & Audit

Performance Management & Pay

Admissions

Premises and Health & Safety were covered through Link Governor roles.

There were a number of changes made to the Terms of Reference and committees in 2017/18. These were all approved by the FGB on September 27th 2018. Each Committee subsequently reported back to the FGB at every meeting over the period.

There was significant fluctuation in the membership of the Governing Body, particularly among Trustees over the period, with 7 resignations, 3 new governors and a change in the Head Teacher. This has been challenging to manage the Academy over the period, as well as to support the new governors in post.

A monitoring schedule was implemented for 2017/18 to ensure the book scrutiny and learning walk processes are embedded into the school. The Performance data was presented at each meeting of the Teaching and Learning Committee and then summarised at the FGB meetings to ensure all Governors were aware of the progress of pupils and any challenges which arose.

One of the changes which the new Head Teacher has instigated, has been a new data management and reporting system which will make the information available to the Governing Body more readily accessible. This will be implemented early 2018/19.

A skills audit of the Governing Body was undertaken in 2017/18 to identify where gaps in knowledge and expertise existed. Training was offered where available/appropriate to the requirement. A review of Governance was planned for 2018. This did not go ahead due to the fluctuation in membership and the resignation of the Head Teacher due to ill health after a significant period of absence.

The Finance and Audit committee is a sub-committee of the main board of trustees. Its purpose is to:

- In consultation with Headteacher, prepare annual budget for approval by full Governing Board
- Monitor monthly financial performance against budget during financial year and ensure appropriate action taken by Headteacher or full Governing Body in response to actual or forecast variances
- Approve virements in excess of £10,000
- Authorise contracts and payments in excess of £3,000 (best value)
- Oversee internal financial procedures to ensure resilience and propriety in the handling of monies and in the letting of contracts
- Ensure that recommendations of external audits are addressed promptly
- Provide reports and advice to full Governing Body on financial matters
- On request, provide advice to other sub-committees on financial implications of their decisions
- Support Headteacher in her/his financial management role
- Verify appropriate use of pupil premium
- Ensure the school is compliant with the current Academies Financial Handbook and Funding Agreement
- Carry out on-going assessment of the risks to which the school is exposed in order to establish specific areas for review, in particular those which relate to internal financial control, reputation and compliance with the funding agreement
- The finance and audit committee meets monthly to review the budget and expenditure and reports back to the full governing board meetings.

NETHERAVON ALL SAINTS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
D Georgeson (Chair)	6	6
F Middleton (Foundation)	4	6
I Thornton (Foundation)	6	6

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy 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 board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Continuing collaboration with an Avon Valley School sports coach. This enabled the school to take part in a range of external sports tournaments.
- Different options, fitness for purpose and 'best value' are always considered before making purchases or commissioning services.
- Internal Controls were reviewed to ensure they met the requirements of the Academies Financial Handbook.
- Budget reports were produced by the Finance Officer and were scrutinised by the Headteacher and the Chair of Finance; meetings of the Finance Committee were held, providing a wider forum for discussion and challenge, and reports were made to the full governing body four times a year.
- Risks were reviewed, recommendations accepted by Finance Committee and mitigated cost-effectively, including the Business Continuity Plan.
- All licenses and subscriptions reviewed
- Introduction of purchasing policy, with robust controls in place.
- Review of utilities usage and transfer of oil purchasing to brokerage, providing substantial savings.

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 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 Netheravon All Saints Academy Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees 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 board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

NETHERAVON ALL SAINTS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The risk and 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 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 their finance and audit 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:

To appoint David Wheen as an independent internal auditor.

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

- *testing of payroll systems*
- *testing of purchase systems*
- *testing of control account/ bank reconciliations*

The finance and audit Committee commissioned two independent internal audits during the year which were conducted by David Wheen. He supplied comprehensive reports of each visit, outlining actions required. Those actions were followed up and the conclusion of the first internal audit in November 2017 was that the academy was low risk. The second report in June 2018 concluded an amber risk for the Academy. This was noted and then monitored by the Finance and Audit committee.

Twice a year, the internal auditor reports to the board of trustees, through the finance and audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

NETHERAVON ALL SAINTS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Review of effectiveness

As accounting officer the Headteacher and subsequently the Interim 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 internal auditor
- The work of the external auditor
- The work of the executive managers within the academy trust 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 finance and audit committee/ and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 12 December 2018 and signed on its behalf by:



Chair