



CARLISLE INFANT AND HAMPTON HILL FEDERATION

Financial Risk Assessment Policy

This policy was adopted/updated:	Autumn 2018
This policy will be reviewed again:	Autumn 2019
Governor Committee Responsibility:	Finance Committee
Statutory Policy?:	No
Source:	School

FINANCE COMMITTEE

Financial Risk Assessment

Introduction

The Schools' Financial Value Standard (SFVS) requires that governors answer the following question before March 2019:

18. Is the governing body sure that there are no outstanding matters from audit reports or from previous consideration of weaknesses by the governing body?

19. Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers (please note any instance of fraud or theft detected in the last 12 months)?

By completing an annual financial risk assessment, we aim to ensure that dishonesty, malpractice, incompetence, fraudulent claims and/or reporting, poor process controls, and theft are prevented or uncovered. However, we recognise that this process cannot eliminate all risks – just minimise the risks identified.

Financial Risk Assessment Process

1. In order to strengthen our internal control processes, we will complete an annual financial risk assessment checklist. This checklist is intended to help review the level of internal control within the school, to assess the likelihood/impact of any risk arising from the controls not being in place.
2. The completion of the checklist will identify whether the internal controls are in place (“yes” or “no”) and, based on the overall responses for that risk area, assess if the likelihood and impact of any residual risk is considered to be “high”, “medium” or “low” risk.
3. Where action is required to mitigate against any identified risk, this should be noted under the risk area as “Y” and an action plan produced that identifies:
 - the action to be taken
 - the responsible officer
 - the timescale for implementation
4. As the financial control checklist should be completed on an annual basis, part of the following year's review should be to confirm the implementation of the previous year's action plan.

Note: It is good practice that the system relating to each control is documented.

This Financial Risk Assessment Control Checklist relates to the internal controls for the 12 months from **April 2018** to **March 2019**.

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.

Checklist completed by: _____ Dated _____

The governing body is, therefore, satisfied that the internal control systems in operation at the school during the year were as indicated above and that, over the coming year, the steps indicated in each Action Plan will be taken to address the weaknesses noted.

(Signed) _____ Dated _____
(Headteacher) - HHJS

(Signed) _____ Dated _____
(Headteacher) - CIS

(Signed) _____ Dated _____
(Chair of Governing Body)

(Signed) _____ Dated _____
(Chair of Finance Committee)