
Buzzacott

FRAUD ASSESSMENT

Skinners' Academy

Prepared by
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Date Sept 2017

Accounting Date – 31 August 2017

Reviewed by Tim Clark

Date Sept 2017

Introduction

The aim of this assessment is to provide a framework for you to consider and to document a fraud assessment, the results of which can then be made available to us as source material for our fraud assessment to comply with International Standards on Auditing (ISAs). The completion of this checklist will help our team when assessing fraud during our audit planning processes in August or September.

We suggest that the assessment is completed by the Academy's Business Manager (or equivalent).

This document will link into other Academy documents. Where applicable, please cross reference to relevant sections within the following documents:

- Risk register
- Financial procedures/regulations

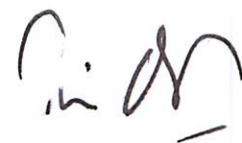
You may wish to circulate the completed fraud checklist to the Audit Committee (or equivalent) for annual review.

Fraud review for the period 1 September 2016 to date

1. Please note any fraudulent activity which occurred during the period from 1 September 2015 to date and was brought to the attention of the Principal/Finance department. [Include a summary of any frauds detected, with details of action taken, loss incurred and current status, e.g. fully resolved, with insurers etc.]

No fraudulent activity detected / reported. Financial transactions are reconciled monthly and all payments are dual authorized in line with the Financial Handbook.

Further scrutiny is provided in the termly Reporting Officer reviews, where no issues have been reported.



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2. Are you aware of allegations or do you have suspicions of fraudulent financial reporting, for example, because of communications with employees, former employees, Committee members or other advisers? (If so, please provide details)

No, none

3. Does the Academy have a fraud policy and is it communicated to all employees? (Please provide a copy)

Yes, The Fraud Policy is included on the staff network drive at the academy, communicated to all staff, and is also referred to on induction of new staff. It is in line with this policy that our Head of Music has advised that she would like to employ a relative as a peripatetic teacher, and so the transactions in that respect are managed by her line manager.

In addition, the academy maintains a Risk Register, reviewed by the F&GP Committee each term

SIGNIFICANT FRAUD RISKS AND CONSIDERATIONS

Please set out below the significant fraud risks facing the Academy and the ways in which the Academy mitigates those risks. This should include areas which are susceptible to fraud (for example, readily portable assets, cash receipts, payments against internally generated documents, transactions with partners & incentive payments) together with the ways in which the fraud could occur (for example, theft, diversion of income, payment against falsified documents, collusion and manipulation of figures).

	Transaction/Asset susceptible to fraud	Anticipated nature of fraudulent activity	Controls in place to manage the risk / How are these controls monitored?
1.	Portable assets throughout the academy	Theft	<ul style="list-style-type: none"> • On-site security and controlled access to the building • Asset Management system and tagging of items • Regular audit by IT department • Insurance for loss
2.	Cash	Theft / mis-appropriation	<ul style="list-style-type: none"> • Cashless catering – no cash transactions allowed on site • Student contributions to trips are collected at Reception via the parental returns lockbox and then sent direct to school office and held in safe • Banking immediately • Insurance • All payments made electronically, including expenses
3.	Contracts	Interested parties	<ul style="list-style-type: none"> • Declaration of business interests • Central processing of transactions • Alternative quotes to ensure value for money

4.	Purchase order processing	Phantom / fraudulent transactions	<ul style="list-style-type: none"> • Separation of duties within Finance department • Defined processing limits / scheme of delegation • Dual authority on all payments – not authorized by person processing the invoice • All deliveries opened by the Finance team to ensure that academy funds are not used for personal items
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Whilst not a mandatory requirement, the Academy has maintained the role of Responsible / Reporting Officer in order to ensure regular audit of processes. Sample checking is completed on a quarterly basis.