The Shropshire Gateway Educational Trust

Risk register

As	at	Ma	rch	2022

Section 4 - Financial Risks										
Risk Description	Risk Consequences	Controls in place/Warning Indicators	Likelihood	Impact	Score	Status	Actions to Improve Current Position	Lead	Timescale	Comments
Failure to ensure Trust maintains overall financial control in relation to budget	Risk budget will be in deficit Risk actual financial performance not measured on regular basis Risk budget not prepared in accordance with DFE timetable Risk budget headings manipulated to ensure targets met	Monthly management accounts available for Heads Budget monitoring reports available to all schools via SAGE Reports to ST and LGB Reports to Board of Directors monthly	1	5	5	Accept	Cost Improvement may be necessary for schools with projected deficit positions. Reserves now established and budgeted for year on year in line with reserves policy and MAT pooling policies. Reporting in line with academies accounts direction/financial handbook. Explore external funding opportunities. Create culture of financial caution and shared ownership. Headsboard and Governing Bodies etc. Produce up to date and regular financial data and share with appropriate circulation. Keep up to date with professional reading and share as appropriate. 3 year Budget forecasting and Business planning in place. Trust Business manager has completed training in ICFP tools and to use across Trust schools, use of benchmarking and school resource management tool.	EH, TBM, Heads Board, LGB	On going	
Over/Understatement of future pupil numbers.	Risk that future years' budgets could be under or overstated. Puplis numbers is the single biggest indicator of income and therefore spending decisions rely heavily on the accuracy of this data. Risks are to timeliness of cost improvement projects or failure to take opportunities for investment.	Demographic data from Local Authority. Maintain positive links with feeder schools/nurseries to ensure the trust is provider of choice and to provide assurance regarding assumption made via demographic figures. School census data completed in a timely and accurate fashion. School leaders awareness of key census dates and the importance of pupil numbers at this time.	1	4	4	Accept	Continue to review LA figures and school specific information	Head Teachers TBM	Ongoing	
Failure to ensure school maintains control in relation to reconciliations	Risk bank account reconciliations not completed and reviewed Possible inaccurate reporting of financial position.	Month end and Year end timetable Financial regulations Internal controls Internal and external audits	2	2	4	Accept	Continue to engage in audit procedures and month end processes	твм	Ongoing	
Failure to ensure financial systems of school are suitable	Risk the financial system not suitable for school needs Financial risk Reputational risk	Monthly management accounts Budget monitoring reports Reports to SLT and Trustees Internal and external audit	2	4	8	Reduce	Investigate options available for finance software, HR and payroll software. SAGE financial management system in place and developed. Audit engagement to remove historic errors and advise on Meeting schedule and internal audit role. August2021	твм	Ongoing	
Failure to ensure that an adequate disaster recovery plan in place re financial systems	Risk that systems will not provide Trustees and SLT with up to date financial information Risk that financial decisions will be made not in best interests of school Significant financial risk	Disaster recovery plan Security systems operated by school Off-site back up storage and systems to recover data in place Risk assessment policy	1	4	4	Accept	IT managed service developing proposals to improve current arrangements. Cloud based system now embedded and managed through service level agreement with Telford and Wrekin.	твм	Ongoing	
Failure to ensure that the expenditure of school is not controlled	Risk expenditure not authorised Risk that expenditure is allocated incorrectly between budget headings Risk that discounts or reductions not obtained Risk that genediture not accounted incorrect period Risk that fraudulent invoices are submitted and payments made Financial risk Risk cash flow requirements not recorded Financial risk	Monthly management accounts Reports to SLT and Trustees Budget monitoring Awareness of financial regulations Effective internal and external audits	1	3	3	Accept	Update to SLT at secondary level termly meetings with Headteachers at primary. Develop electronic signing for invoices to provide audit trail and speed up authorisation process. Fraud protection training top finance team.	TBM	Ongoing	
Failure to have robust fixed asset procedures	Risk that assets are not capitalised Risk that depreciation not appropriate	Robust financial policies Internal and external audits Financial regulations	2	2	4	Accept	Ensure that figures and accurate following implementation of new asset system and transition from previous year's accounts is reflected appropriately. Audit check.	твм	Ongoing	

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ansistent window window bind with a last	Failure of school to monitor	Risk of significant deficit of scheme	Advice from Pension consultant	2	2	4	Accept	3 yearly valuations in place. Businss management attendance at pensions briefings	твм	Ongoing	
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and the organization's revenue budgets, gives than BMS, report will be provided by the iselated		school budget and higher than average	guidance.					management tool demonstrates this. This is a KPI shared periodically with Directors.			
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biolds be between 70 and 80% and bital any bottom 10 gives. bital bits bits. <		Guidance from the EFA suggests that	stating why this is the case. This report will be considered by								
anything over 80% could be considered at https://www.gov.uk/guidance/schooler. Findersid=idencycy-to-Joanning anything over 80% could be considered at https://www.gov.uk/guidance/schooler. Tost Business Manager Ongoing BDPR compliance with statutory requirements functional risk. Reputational risk. Minibuses operate legality and comply with all legislative at and ards and and be compliance anything at anything everation for anything responsibility for compliance. Auti, Governing Board, Risk assessments and procedures created. Tost Business Manager Ongoing raud Risk. financial impact, reputation impact. Internal and Eternal and procedures in place and monitored 1 4 4 Accept Continuous training. Bank Traud awareness completed by finance team January 2021 and Ju		staff pay as a percentage of total spend	the Board of Directors when approving budgets for the								
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