

Brooke Hill Academy Trust

Supplementary Audit Report

2019 – 2020

Remote Visit

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Background and Scope

1.1 Audit overview

Every academy must have in place a process for independent checking of financial controls, systems, transactions and risks. Ideally this process should be driven by an audit committee appointed by the governing body or a committee which fulfils the functions of an audit committee. However, the ESFA recognises that this may not be practical for many academies and therefore allows some flexibility as to how any particular academy discharges these responsibilities.

We have conducted the assignment in terms of the approved plan and as confirmed in our letter of engagement to you. The areas to be covered were as agreed with the Resources Committee prior to commencing our review. The time period covered for our review is the financial year ended 31 August 2020. Audit procedures have been planned and performed to evaluate the adequacy and effectiveness of the Trust's governance, risk management and control procedures.

The specific areas reviewed during this visit are as detailed on page 4.

Our work completing the supplementary audit checks role of the Trust does not constitute an audit of the financial statements in accordance with Auditing Standards. Consequently our work does not provide any assurance that the accounting records or the financial statements are free from material misstatement, whether caused by fraud, other irregularities or error.

Our main role is to provide an independent review as to whether:

- The financial responsibilities of the Trustees are being properly discharged in accordance with the Academies Financial Handbook;
- Sound systems of internal financial control are being maintained; and
- Financial considerations are fully taken into account in reaching decisions.

We have maintained a written record of the tests we performed, and we are reporting to you and the Resources committee, our work performed and the results of our testing. We have, where appropriate made suggestions for improvements to financial systems and procedures.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the board of Trustees as a body, for our work or our report. If you wish, or are asked, to provide a copy of our report to a third party you must seek our consent before you do this. You are not entitled to disclose our work to a third party without our express permission.

Whilst every effort has been made to state all the facts fairly and accurately, notice is hereby given that:

- All statements contained herein are made by Baldwins without responsibility and are not to be taken or relied upon as statements of fact or representation of fact.
- No representation or warranty as to the accuracy, express or implied, of any statement herein is made or given. No partner of Baldwins or any person in its employment or any agent appointed by it has any authority to make or give any representation or warranty whatsoever in relation to the Trust and its assets and liabilities.
- The reader must satisfy themselves as to the correctness of the statements contained herein and in no event shall Baldwins be liable for any loss or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the management team, employees or agents.
- This report has been prepared on the basis of the information and explanations supplied to Baldwins during the review. This report has not been updated for any subsequent information which may become available after this date.

Background and Scope (continued)

1.1 Audit overview (continued)

- Any transaction is subject to contract to be negotiated and entered into in writing. Neither Baldwins nor its employees or agents have any authority to enter into verbal contracts on behalf of the reader.
- This report should not be quoted, referred to or shown to any other parties unless so required by court order or a regulatory authority, without prior written consent from a partner in Baldwins. Baldwins assumes no responsibility whatsoever in respect of, or arising out of or in connection with, the contents of this report to parties other than the addressees to the letter of engagement, in accordance with the terms stated therein. Should other parties choose to rely in any way on the contents of this report, they do so entirely at their own risk.

1.2 Conflicts of interest

Baldwins has not undertaken any work or activity during 2019/20 that would lead us to declare any conflicts of interest.

1.3 Management responsibilities for risk and internal control

Management is responsible for the establishment and maintenance of effective systems of internal control to ensure that certain key objectives are met as detailed below:

- Financial and operational information is timely and reliable;
- Operations are effective and efficient;
- Assets are safeguarded; and
- Laws, regulations, policies and procedures are complied with.

Risks are communicated and controls are put in place to mitigate any perceived risks.

1.4 Sources of information

Discussions were held with management and staff members who were responsible for the specific processes. The supplementary audit work was based on enquiries with the relevant employees, observation, confirmation and validation to supporting documentation such as contracts, agreements and invoices.

1.5 Overview

The information contained in this report has been prepared from the records of the Trust and from discussions and correspondence as noted above.

This report relates to the Baldwins visit for the financial year 2019 – 2020 in their role performing supplementary audit checks. All findings contained in this report should be considered by the Trust's Resources committee and findings reported to all Trustees. Significant areas are highlighted at the beginning of this report and will be updated after each visit.

An action plan must be established to address the potential risks identified within this report, with an associated owner and a timeline for implementation. Where the Resources Committee decide not to implement any recommendations made by Baldwins, this rationale should be formally discussed and recorded in the minutes of the Resources Committee meeting. The Executive Summary will highlight any significant issues arising in the current year, as well as in the past, and will show whether the issues have been addressed during the year.

Background and Scope (continued)

1.6 Our contact details – partners in the Peterborough & Cambridge academy team

<p>Tracey Richardson Partner Telephone: 01733 568 321 Email: tracey.richardson@baldwingroup.com</p>	<p>Mark Jackson Partner Telephone: 01733 568 321 Email: mark.jackson@baldwingroup.com</p>	<p>Graham Jones Partner Telephone: 01733 568 321 Email: graham.jones@baldwingroup.com</p>
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Statement of Responsibility

We take responsibility for this report which is prepared on the basis of the limitations set out below.

The matters raised in this report are only those which came to our attention during the course of our supplementary audit visits in accordance with the remit agreed with the governing body and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by this function should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify circumstances of fraud or irregularity.

Areas Reviewed during this Visit

The table below shows the areas that were reviewed during Visit 1 to the Academy in the financial year 2019 - 20.

Trustee and Member Records on GIAS and Companies House (1.1)
Structure of Board of Trustees and Members (1.2 and 1.3)
Structure of the Audit and/or Finance Committees (1.4)
Trustee and Finance and Audit Committee meetings (1.5)
Details of Accounting Officer and Clerk (1.6 and 1.7)
Previous Supplementary Audit reports (1.8)
Scheme of Delegation of Powers (2.1)
Financial Regulations (2.2)
Fixed Asset Register and Capitalisation Policy (2.3)
Whistleblowing Policy (2.4)
Funding Allocation Policy (2.5)
Risk Register and Insurance Policies (2.6)
Sales and Purchase Ledger Control Procedures (3.1)
Opening Balance Adjustments (3.2)
Income – ESFA (4.1)
Debtors (4.2)
Census and Funding Statement review (4.3)
Payroll Procedures (5.1)
Administrative Procedures for Financial Statements (6.1)

Summary of Findings

Below is a table detailing the summary of findings for the specific areas that were noted during this visit:

Recommendations Summary

Priority	No. of Recommendations	Area of Recommendations
Significant	0	N/A
Merits Attention	0	N/A
Housekeeping	7	GIAS and Companies House, Finance committee, Internal scrutiny, Whistleblowing procedure, Funding allocation policy, Reconciliations, Administration
Total	7	

Risk Analysis Key:

Recommendation Grading	Definition
Significant	Recommendations represent fundamental control weaknesses.
Merits attention	Recommendations represent some control weaknesses which merit the attention of management.
Housekeeping	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

Executive Summary

From the work performed, the issues noted during the review are as documented below:

Matters requiring urgent attention – 2019 - 20

No matters requiring urgent attention were noted during Visit 1.

Matters meriting attention – 2019 - 20

No matters meriting attention were noted during visit 1.

Housekeeping issues – 2019 - 20

	Per AFH 2019	Issue	Recommendation
	Governance information		
1.1	<p>(2.51) The trust must notify ESFA of changes to the governance information described in this section within 14 calendar days of the change.</p> <p>(2.52) Notification must be through the governance section of the DfE's Get Information About Schools (GIAS) register, access via DfE Sign-in.</p> <p>(2.53) All fields specified in GIAS for the individuals must be completed and the trust must ensure its record in GIAS for the individuals is kept up to date.</p> <p>(2.55) The records required in GIAS for constituent academies in a multi-academy trust are: headteacher, including direct contact details; chairs of local</p>	<p>All current trustees are showing on the GIAS and Companies House website. Keith Ambrose is still showing on the Companies House website however he will be removed following the appointment of Caroline Tradewell as Chief Financial Officer.</p> <p>All the local governors are showing on the GIAS website apart from Helen Shepherd and Catherine Marshall for Edith Weston Academy.</p> <p>We note that Sinclair Rogers is showing as a trustee on the GIAS website, however he is</p>	<p>We recommend that the academy trust ensures that the information on GIAS and Companies House is updated for all changes in trustees and local governors.</p>

	governing bodies (where adopted), including direct contact details; local governors (where adopted).	solely a member of the trust per the list we have received from the academy trust.	
Finance committee			
1.4	<p>(1.16) Each committee (other than those in a MAT constituted as a local governing body) must contain a majority of trustees, but it may also include other people the board chooses to appoint.</p> <p>(1.7 and 3.6) The board must appoint an audit committee, appointed by the board. Trusts with an annual income over £50 million must have a dedicated audit committee. Other trusts must either have a dedicated audit committee or can combine it with another committee.</p> <p>(3.9) Employees of the trust should not be audit committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions.</p> <p>(3.10) The chair of trustees should not be the chair of the audit committee.</p> <p>(3.12) The committee must: have written terms of reference describing its remit; agree a programme of work annually that provides coverage across the year; agree who will perform the work; consider reports at each meeting from those carrying out the program of work; consider progress in addressing recommendations.</p> <p>(3.13) In MATs, the committee's oversight must extend to the financial and other controls and risks at constituent academies.</p>	<p>We have identified that there are five members of the finance committee, of whom two are employed by the academy trust. Four of the members of the committee are also trustees of the academy trust.</p> <p>When audit matters have been discussed at resources committee meetings, staff have not participated in those discussions as members of the committee, and have only clarified points where asked in relation to their role employed by the trust.</p> <p>We have not been able to identify the meeting where the trustees have agreed the programme of work for the year.</p>	<p>We recommend that agreement of the annual programme of work for the assurance of the audit committee is included within the minutes.</p>
Internal scrutiny			
1.8	(3.1) All academy trusts must have a programme of internal scrutiny to provide independent assurance to	We have reviewed the accounts scrutiny minutes where the previous supplementary	We recommend that the supplementary audit reports are

	<p>the board that its financial and other controls, and risk management procedures, are operating effectively. (3.17 and 3.18) The trust must deliver internal scrutiny in the way most appropriate to their circumstances. Options include: employing an in-house internal auditor; a bought-in internal audit service, under a separate letter of engagement if internal audit and external audit is performed by the same firm; the appointment of a non-employed trustee; a peer review by the CFO, or other member of the finance team, from another academy trust; a combination of the previous options. (3.16) Whilst the audit committee is responsible for directing the internal scrutiny, the findings must also be made available to all trustees promptly.</p>	<p>audit report was considered by trustees. It was considered at the meeting on 12 September 2019.</p> <p>We have identified, through enquiry, that the points previously raised have either been cleared, or that there are plans in place to deal with them.</p> <p>We have been unable to identify whether the previous supplementary audit report was provided to trustees who are not members of the finance committee.</p>	<p>provided to all trustees, including those who are not part of the finance committee.</p>
Whistleblowing procedure			
2.4	<p>(2.41) The academy trust must have procedures for whistleblowing, to protect staff who report individuals they believe are doing something wrong or illegal. (2.42) The trustees must agree the whistleblowing procedure. (2.43) The trust should appoint at least one trustee and one member of staff who other staff can report concerns. (2.44) The trust must ensure all staff are aware of the whistleblowing process, and how concerns will be managed. (2.45) Staff should know what protection is available to them if they report someone, what areas of malpractice or wrongdoing are covered in the trust's whistleblowing procedure, and who they can approach to report a concern.</p>	<p>We have reviewed the whistleblowing procedure.</p> <p>We have identified that it is freely available to staff by being available in the staff area and is shown on the walls in common areas.</p> <p>We cannot identify through a review of the minutes when the whistleblowing procedure was last approved by trustees.</p>	<p>We recommend that the whistleblowing procedure is approved and included in the minutes by trustees annually.</p>

	(2.46) The trust must ensure all concerns raised with them by whistleblowers are responded to properly and fairly.		
Funding allocation policy			
2.5	(5.29) A multi-academy trust must not pool PFI funding. (5.30) The multi-academy trust must consider the funding needs and allocations of each constituent academy, and must have an appeals mechanism.	The academy trust doesn't currently have a funding allocation policy.	We recommend that the trust considers whether a policy is required for the allocation of funding from the top slice to component academies based upon their individual needs.
Reconciliations			
3.1	(2.7) The control framework must: apply discipline in financial management, including managing debtors, creditors, cash flow and monthly bank reconciliations	We have identified that the reconciliation for the Sales and Purchase control accounts are not approved for May 2020.	We recommend that the reconciliations are marked as approved by an appropriate person however we are aware that this is due to the preparer working from home making it harder for them to be reviewed. We recommend that an electronic copy is sent to the usual approver and an email trail kept on record as an audit trail.
Administration			
6.1	(4.4) The audited accounts must be: submitted to ESFA by 31 December each year; published on the trust's website by 31 January; filed with Companies House in accordance with company law requirements, usually by 31 May; provided to every member (under the Companies Act); provided to anyone who requests a copy. (6.6) New academy trusts or constituent academies joining a MAT must complete a financial management and governance self-assessment (FMGS) and submit it to ESFA within four months of opening.	We have been unable to identify whether the audited accounts have been circulated to all of the trust's members.	We recommend that the academy trust ensures that the audited accounts are circulated to all trust members, and a robust audit trail kept.

Work Completed - Visit 1

Per AFH	Conclusion	Observation / Recommendation	
Governance			
1.1	<p>(2.51) The trust must notify ESFA of changes to the governance information described in this section within 14 calendar days of the change.</p> <p>(2.52) Notification must be through the governance section of the DfE's Get Information About Schools (GIAS) register, access via DfE Sign-in.</p> <p>(2.53) All fields specified in GIAS for the individuals must be completed and the trust must ensure its record in GIAS for the individuals is kept up to date.</p> <p>(2.54) The records required in GIAS for the trust are: members, chair of trustees, all other trustees, accounting officer, chief financial officer. This includes direct contact details for all listed.</p> <p>(2.55) The records required in GIAS for constituent academies in a multi-academy trust are: headteacher, including direct contact details; chairs of local governing bodies (where adopted), including direct contact details; local governors (where adopted).</p>	<p>We have reviewed the current list of local governors, trustees and members against the lists held by the ESFA on the Get Information About Schools website (GIAS), and that held at Companies House. We have also reviewed the details held for the accounting officer and chief financial officer.</p> <p>All current trustees are showing on the GIAS and Companies House website. Keith Ambrose is still showing on the Companies House website however he will be removed following the appointment of Caroline Tradewell as Chief Financial Officer.</p> <p>All the local governors are showing on the GIAS website apart from Helen Shepherd and Catherine Marshall for Edith Weston Academy.</p> <p>We note that Sinclair Rogers is showing as a trustee on the GIAS website, however he is solely a member of the trust per the list we have received from the academy trust.</p>	<p>We recommend that the academy trust ensures that the information on GIAS and Companies House is updated for all changes in trustees and local governors.</p>
1.2	<p>(1.15) Whilst the members can decide whether to appoint the trust's senior executive leader as a</p>	<p>We have identified that there are no members of the board of trustees, other than the</p>	<p>No recommendations identified.</p>

	trustee, the Department's strong preference is for no other employees to serve as trustees in order to retain clear lines of accountability.	accounting officer, who are also employed by the academy trust.	
1.3	<p>(1.3) Academy trusts must have at least three members, although the Department's strong preference is for trusts to have at least five members, as this provides for a more diverse range of perspectives, and ensures members can take decisions via special resolution without requiring unanimity.</p> <p>(1.4) Employees of the trust must not be members unless permitted by their articles of association. The current model articles do not allow members to be employees.</p> <p>(1.5) The Department's view is that there should be a significant degree of separation between individuals who are members and those who are trustees. If members sit on the board of trustees this may reduce the objectivity with which the members can exercise their powers. The Department's strong preference is for a majority of members to be independent of the board of trustees.</p>	<p>We have identified that there are five members of the trust, of whom one is also on the board of trustees.</p> <p>There are no members who are employed by the academy trust.</p>	No recommendations identified.
1.4	<p>(1.16) Each committee (other than those in a MAT constituted as a local governing body) must contain a majority of trustees, but it may also include other people the board chooses to appoint.</p> <p>(1.7 and 3.6) The board must appoint an audit committee, appointed by the board. Trusts with an annual income over £50 million must have a dedicated audit committee. Other trusts must either have a dedicated audit committee or can combine it with another committee.</p>	<p>We have identified that there are five members of the finance committee, of whom two are employed by the academy trust. Four of the members of the committee are also trustees of the academy trust.</p> <p>When audit matters have been discussed at resources committee meetings, staff have not participated in those discussions as members of the committee, and have only clarified points</p>	We recommend that agreement of the annual programme of work for the assurance of the audit committee is included within the minutes.

	<p>(3.9) Employees of the trust should not be audit committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions.</p> <p>(3.10) The chair of trustees should not be the chair of the audit committee.</p> <p>(3.12) The committee must: have written terms of reference describing its remit; agree a programme of work annually that provides coverage across the year; agree who will perform the work; consider reports at each meeting from those carrying out the program of work; consider progress in addressing recommendations.</p> <p>(3.13) In MATs, the committee's oversight must extend to the financial and other controls and risks at constituent academies.</p>	<p>where asked in relation to their role employed by the trust.</p> <p>We have not been able to identify the meeting where the trustees have agreed the programme of work for the year.</p>	
1.5	<p>(2.3) The board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective financial management arrangements. Board meetings must take place at least three times a year (and business conducted only when quorate). If the board meets less than six times a year it must describe in its governance statement, accompanying its annual accounts, how it maintained effective oversight of funds with fewer meetings.</p>	<p>We have reviewed the minutes of six resources meetings during the current financial year. On average, 88% of trustees have attended those meetings. This compares to an average across schools that we act for of 79%.</p> <p>We have reviewed the minutes of seven meetings of the finance committee during the current financial year. On average, 97% of committee members have attended those meetings. This compares to an average across schools that we act for of 80 %.</p>	No recommendations identified.
1.6	<p>(1.38) The academy trust should appoint a Clerk to the board of trustees who is someone other than a trustee, principal or chief executive of the trust.</p>	<p>Nicola Tyers is employed as a Clerk to the board of trustees. She is operating through a limited company.</p>	No recommendations identified.

1.7	<p>(1.24) The board of trustees must appoint, in writing, a senior executive leader who may also be appointed as a trustee. In MATs this should be the chief executive or equivalent.</p> <p>(1.25) The board of trustees must appoint, in writing, a named individual as its accounting officer. This should be the senior executive leader. The individual must be a fit and suitable person for the role. The roles of senior executive leader and accounting officer must not rotate.</p> <p>(1.26) The appointment of an accounting officer does not remove the trustees' responsibility for the proper conduct and financial operation of the trust.</p>	<p>Sharon Milner is the trust's accounting officer. She is the chief executive of the academy trust. There has been no rotation of the role during the period.</p>	<p>No recommendations identified.</p>
1.8	<p>(3.1) All academy trusts must have a programme of internal scrutiny to provide independent assurance to the board that its financial and other controls, and risk management procedures, are operating effectively.</p> <p>(3.17 and 3.18) The trust must deliver internal scrutiny in the way most appropriate to their circumstances. Options include: employing an in-house internal auditor; a bought-in internal audit service, under a separate letter of engagement if internal audit and external audit is performed by the same firm; the appointment of a non-employed trustee; a peer review by the CFO, or other member of the finance team, from another academy trust; a combination of the previous options.</p> <p>(3.16) Whilst the audit committee is responsible for directing the internal scrutiny, the findings must also be made available to all trustees promptly.</p>	<p>We have reviewed the accounts scrutiny minutes where the previous supplementary audit report was considered by trustees. It was considered at the meeting on 12 September 2019.</p> <p>We have identified, through enquiry, that the points previously raised have either been cleared, or that there are plans in place to deal with them.</p> <p>We have been unable to identify whether the previous supplementary audit report was provided to trustees who are not members of the finance committee.</p>	<p>We recommend that the supplementary audit reports are provided to all trustees, including those who are not part of the finance committee.</p>

Financial processes and procedures			
2.1	(1.30) The accounting officer must have appropriate oversight of financial transactions by: Ensuring that all the academy trust's property/assets are under the control of the trustees and measures are in place to prevent losses or misuse.	<p>We have reviewed the scheme of delegation of financial powers. There are currently five signatories on the bank accounts: The accounting officer, the chair of trustees and the senior leadership team for the MAT.</p> <p>The finance functions are split to ensure that there is segregation of duties.</p>	No recommendations identified.
2.2	The academy trust must take full responsibility for its financial affairs and use resources efficiently to maximise outcomes for pupils. (2.2)	We have reviewed the trust's Financial Regulations. They were last reviewed by trustees on 23 September 2019.	No recommendations identified.
2.3	The accounting officer must have appropriate oversight of financial transactions by: Ensuring that all the academy trust's property/assets are under the control of the trustees and measures are in place to prevent losses or misuse. (1.30)	<p>We have identified that the academy trust keeps a fixed asset register.</p> <p>The academy trust keeps this up-to-date throughout the year by identifying additions and disposals as they occur in line with their capitalisation policy.</p> <p>We have also reviewed the capitalisation policy. Your policy: Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.</p>	No recommendations identified.
2.4	(2.41) The academy trust must have procedures for whistleblowing, to protect staff who report individuals they believe are doing something wrong or illegal. (2.42) The trustees must agree the whistleblowing procedure.	<p>We have reviewed the whistleblowing procedure.</p> <p>We have identified that it is freely available to staff by being available in the staff area and is shown on the walls in common areas.</p>	We recommend that the whistleblowing procedure is approved and included in the minutes by trustees annually.

	<p>(2.43) The trust should appoint at least one trustee and one member of staff who other staff can report concerns.</p> <p>(2.44) The trust must ensure all staff are aware of the whistleblowing process, and how concerns will be managed.</p> <p>(2.45) Staff should know what protection is available to them if they report someone, what areas of malpractice or wrongdoing are covered in the trust's whistleblowing procedure, and who they can approach to report a concern.</p> <p>(2.46) The trust must ensure all concerns raised with them by whistleblowers are responded to properly and fairly.</p>	<p>We cannot identify through a review of the minutes when the whistleblowing procedure was last approved by trustees.</p>	
2.5	<p>(5.29) A multi-academy trust must not pool PFI funding.</p> <p>(5.30) The multi-academy trust must consider the funding needs and allocations of each constituent academy, and must have an appeals mechanism.</p>	<p>The academy trust doesn't currently have a funding allocation policy.</p>	<p>We recommend that the trust considers whether a policy is required for the allocation of funding from the top slice to component academies based upon their individual needs.</p>
2.6	<p>(2.36) The trust must manage risks to ensure its effective operation. The trust must maintain a risk register.</p> <p>(2.37) The trust's management of risks must include contingency and business continuity planning.</p> <p>(2.38) The academy trust must have adequate insurance cover in compliance with its legal obligations or be a member of the academies risk protection arrangement (RPA). Not all risks are covered in the RPA.</p> <p>(2.39) The trust should consider the RPA unless commercial insurance provides better value for money.</p>	<p>We have reviewed the academy trust's risk register.</p> <p>We have not identified any significant financial risks which the academy trust may face which have not been included.</p> <p>We note that the academy trust includes the likelihood or significance of a risk when determining the risk level on the register.</p> <p>The trustees last reviewed and approved the risk register in January 2020.</p>	<p>No recommendations identified.</p>

		<p>We have reviewed the academy trust's insurance policy.</p> <p>We have not identified any common significant risks which the academy trust may face which do not have corresponding insurance cover.</p> <p>We note that the insurance premium covers September 2019 to August 2020.</p>	
Management accounts			
3.1	(2.7) The control framework must: apply discipline in financial management, including managing debtors, creditors, cash flow and monthly bank reconciliations	<p>We have reviewed May 2020 Sales and Purchase ledger control reconciliations. The reconciliations are being done on a monthly basis.</p> <p>We have not identified any issues with the reconciliations.</p> <p>We have identified that the reconciliation for the control accounts are not approved for May 2020.</p>	<p>We recommend that the reconciliations are marked as approved by an appropriate person however we are aware that this is due to the preparer working from home making it harder for them to be reviewed. We recommend that an electronic copy is sent to the usual approver and an email trail kept on record as an audit trail.</p>
3.2	(1.30) The accounting officer must have appropriate oversight of financial transactions by: Keeping full and accurate accounting records to support their annual accounts.	<p>We have reviewed the journal posting for year-end audit adjustments showing on the financial reporting system.</p> <p>We have not identified any issues with the posting.</p>	No recommendations identified.
Income			
4.1	(1.30) The accounting officer must have appropriate oversight of financial transactions by: Keeping full and accurate accounting records to support their annual accounts.	<p>We have traced two funding income receipts to their original source documentation to ensure that they have been correctly analysed within the accounting system.</p>	No recommendations identified.

		They have also been traced to the receipts showing in the bank accounts to ensure that they were received on a timely basis.	
4.2	(5.20) The trust should always pursue recovery of amounts owed to it, including overpayments, or payments in error. The trust should only consider writing-off losses after careful appraisal of the facts. (5.18 & 5.19) The trust must obtain ESFA's prior approval for certain transactions beyond the delegated limits. These transactions include writing off debts and losses, and entering into guarantees, letters of comfort or indemnities	We have reviewed the aged debtor listing and identified five balances totalling £1,010, which are outside the normal terms of payment. Through enquiry, we have ascertained that the academy trust is actively chasing these debts, and considers them still to be recoverable. We have reviewed the credit notes raised in the period. We have identified that in total, £250 of credit notes were raised between September 2019 and May 2020.	No recommendations identified.
4.3	The board should challenge pupil number estimates as these will underpin revenue projections (2.12)	We have reviewed the pupil census used to generate the figures for the 2019-20 funding statement. The census figures are lower than the stated academy trust capacity on the GIAS register.	No recommendations identified.
Expenditure			
5.1	Academy trusts must ensure that their senior employees' payroll arrangements fully meet their tax obligations and comply with HM Treasury's guidance. (2.33)	We have performed payroll testing on two employees for November 2019 and May 2020. Testing included recalculation of deductions. We have also reviewed the academy trust's arrangements with self employed contractors and individuals engaged through private limited companies in respect of the IR 35 regulations, and have not identified any issues with the academy trust's procedures.	No recommendations identified.

Administration and filing		
6.1	<p>(4.4) The audited accounts must be: submitted to ESFA by 31 December each year; published on the trust's website by 31 January; filed with Companies House in accordance with company law requirements, usually by 31 May; provided to every member (under the Companies Act); provided to anyone who requests a copy.</p> <p>(6.6) New academy trusts or constituent academies joining a MAT must complete a financial management and governance self-assessment (FMGS) and submit it to ESFA within four months of opening.</p>	<p>The academy trust submitted its audited accounts for the year ended 31 August 2020 to the ESFA on 16 December 2019.</p> <p>The audited accounts for the year ended 31 August 2020 are currently available on the Companies House website.</p> <p>The audited accounts have been published on the academy trust's website.</p> <p>We have been unable to identify whether the audited accounts have been circulated to all of the trust's members.</p>
		<p>We recommend that the academy trust ensures that the audited accounts are circulated to all trust members, and a robust audit trail kept.</p>