

Our ref – NC/AL/AXB/SAND01

14 December 2016

**PRIVATE & CONFIDENTIAL**

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Dear All

**SANDYE PLACE ACADEMY  
REPORT TO MANAGEMENT**

**1. Introduction**

- 1.1. The purpose of this letter is to summarise for the Board of Trustees the issues arising from our audit of the Academy's financial statements for the period ended 31 August 2016.
- 1.2. The issues detailed in the Appendix have been discussed at our recent meeting and the relevant response and agreed actions have been included.
- 1.3. Accompanying this letter is a memorandum setting out matters that we consider should be brought to your attention, together with any recommendations we have for possible improvements which could be made.

**2. Audit scope and status**

- 2.1. We are required as external auditors to report whether the financial statements show a true and fair view and have been properly prepared in accordance with the Companies Act 2006. Our work has been carried out in accordance with the relevant legislation and auditing and accounting standards.
- 2.2. It should be noted that the matters dealt with in this letter came to our attention during the normal conduct of our audit and should not be relied upon to disclose all weaknesses in your system of internal control and reporting.
- 2.3. This letter is for your private use only. It has been prepared on the understanding that it will not be disclosed to any third party (other than the Education Funding Agency) without our prior consent and no responsibility is assumed by us to any other person.

Continued...

**3. Conclusion**

3.1 We would like to take this opportunity to thank the Academy's staff for the help and assistance we have been given in conducting our audit.

3.2 If there are any matters that you would like to discuss further, please let us know.

3.3 A copy of this report will be provided to the Education Funding Agency as required by the provisions of the Academies Financial Handbook.

Yours faithfully

A handwritten signature in black ink that reads "Duncan & Toplis". The signature is written in a cursive style with a large initial 'D' and a long horizontal stroke at the end.



DUNCAN & TOPLIS LIMITED

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 APPENDIX

Observation	Recommendation	Significance	Response / conclusion
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**INTERIM MANAGEMENT LETTER POINTS**

<p><b>DECLARATIONS OF INTEREST</b></p> <p>There have been a number of changes to Governors during the year but it appears that the Academy has not updated its 'Register of Directors' for any changes.</p>	<p>The 'Register of Directors' schedule maintained by the Academy is to be updated with information of changes in Governors during the year.</p>		<p>The internal "Register of Directors" has been updated for changes, along with Companies House.</p>
<p><b>GENERAL</b></p> <p>On numerous occasions, employees of the Academy had used a loyalty card to gain points when purchasing goods on behalf of the Academy. Employees should have no financial gain from an Academy transaction.</p>	<p>We recommend that no loyalty cards are used by employees when the transactions relate to that of the Academy.</p>		<p>An email was sent to all staff members reminding them not to use loyalty cards when making purchases on behalf of the academy. Going forward receipts will not be reimbursed if loyalty card points have been obtained.</p>

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**FINAL AUDIT MANAGEMENT LETTER POINTS**

<p><b>GENERAL</b></p> <p>The new Academies Financial Handbook has confirmed that Academies must notify the DfE of appointments or resignations of governors and chairs of committees, through the Edubase system. We note that the system is not up-to-date. The DfE requests that all changes are notified within 14 days of occurring.</p>	<p>We recommend that the Edubase details are reviewed to ensure that all information is up-to-date.</p>		<p>The Edubase system has now been updated following the audit.</p>
<p><b>LAND AND BUILDINGS LEASE</b></p> <p>The lease agreement for land and buildings is yet to be finalised despite the matter being chased by the School Business Manager.</p>	<p>We recommend that the School Business Manager continues to follow up the matter until the lease is finalised.</p>		<p>The matter has been followed up but the lease is yet to be finalised.</p>

Key to symbols:



**The Board of Governors should ensure this recommendation is addressed as a matter of priority as insufficient internal controls are currently in place, the Academy is exposed to risk or is non-compliant with key requirements.**



**The current internal controls are not necessarily failing, but could arguably be improved upon.**



**The matter raised is an isolated incidence reported for completeness, or is an issue for which there has already been a change of procedure to prevent recurrence.**