

14 December 2023

Shirley Manor Primary School
Methuen Oval
Wyke
Bradford
BD12 8SA

Dear Sirs

SHIRLEY MANOR PRIMARY ACADEMY
MANAGEMENT LETTER FOR THE YEAR ENDED 31 AUGUST 2023

Audit approach and areas covered by the audit

Our audit of Shirley Manor Primary Academy was risk-based and we adopted a substantive approach that focused on the testing of key balance sheet areas and various samples of transactions during the year. Regularity audit work undertaken involved, amongst other items, a review of Accounting officer statements where applicable, together with an examination of the academy's procurement procedures and a review of expenditure.

Areas of perceived risk

In accordance with ESFA guidance, the main areas of perceived risk in the Academies sector, relate to the inadequate documentation of systems and controls, related party transactions and procurement procedures, together with, inappropriately delegated authority limits and unauthorised ex-gratia payments.

Audit findings

As a result of the procedures which we undertook as part of our audit work on the Shirley Manor Primary Academy for the year ended 31 August 2023 the following matters were identified:

Issue (Risk level)	Description	Response
Tendering process not followed for all large purchases (medium)	It was noted that the tendering process had not been followed for all large purchases in the year, with some items purchased within the year with a value over £10,000 where three written quotations had not been obtained to ensure the best value for money. We recommend that the tendering process be followed for all transactions	This was a single occurrence. The school's emergency lighting system failed routine testing and required urgent replacement to ensure fire safety compliance. This contractor was recommended by a representative of the Local Authority. Wherever possible the academy will seek 3 quotations to ensure best value for any future purchases exceeding £10k.
Companies House Records not up to date (Medium)	Companies House has not been updated for Trustees who have resigned during the year	Companies House is routinely updated by our Company Secretary. This refers to just one director who resigned at the end of the academic year; the register will be updated in January. The academy has joined The Family of Learning Trust, and the transfer took place on 1.12.23. An application (form DS01) will be made to Companies House to strike off the company from the register in due course.
Cash flow statement not included in management accounts. (medium).	As per the AHB 2022, a cash flow statement should be incorporated as part of the full set of management accounts.	This will be incorporated with any future management accounts (prior to transferring to the MAT).

The following issue was identified from the review of internal systems and controls during the year:

Fixed asset register only recorded on Excel (low)	It was recommended that the school adopts a dedicated fixed asset inventory system rather than recording the fixed asset register on an Excel spreadsheet	The school will follow procedures in line with the new academy trust.
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Status of audit recommendations from the previous year

Issue	Status
<p>VAT returns not submitted It was found that VAT returns had not been submitted on time due to the software not being compliant with Making Tax Digital</p>	<p>Issue resolved: VAT returns have been submitted on a timely basis throughout the year</p>
<p>Fixed asset registers not maintained It was found that no fixed asset register had been maintained, and that additions/ disposals and depreciation charges had not been kept up to date</p>	<p>Issue resolved: A complete fixed asset register was available which correctly included all additions and depreciation charges</p>
<p>Companies House Records not up to date It was found that Companies House was not being maintained/ kept up to date, and that Trustees who had been appointed/ resigned during the year were not correctly shown</p>	<p>Issue still pertinent – Trustees who have resigned in the year are still showing as active on Companies House</p>
<p>No cash flow statement included in management accounts It was noted that the monthly management accounts did not include a cash flow statement, in accordance with the Academies Financial Handbook</p>	<p>Issue still pertinent – no cash flow statement has been included within the monthly management accounts</p>
<p>Invoice certification slips not complete It was recommended as part of the internal audit that the signatory slip attached to invoices also show a signature to evidence that it has been approved for payment</p>	<p>Issue resolved: purchase invoices inspected during the year included two signatures</p>

Gibson Booth, Chartered Accountants, accepts no liability to anyone other than the company as a result of this letter.

Yours faithfully



GIBSON BOOTH