



Local Matters, National Strength.

A vertical, close-up photograph of a calculator keypad on the left side of the page. The focus is on a red square button with a white plus sign (+). Other buttons, including a grey one with the letter 'M', are visible but out of focus.

Report to Governors Backwell School

For the year ended 31 August 2016

The Governors
Backwell School
Station Road
Backwell
Bristol
BS48 3BX

14 November 2016

Dear Sirs

We are writing in connection with our audit of the company's financial statements for the year ended 31 August 2016.

This report meets the requirements of ISA 260- Communication with those charged with governance and ISA 265- Communicating deficiencies in internal control and has been prepared to document the key matters relating to the audit for the year ended 31 August 2016.

This report sets out those matters that have come to our attention during the course of our audit. As such the matters mentioned in this letter are not intended as an exhaustive summary of potential weaknesses and should not be relied upon as such.

This Report to Management has been prepared for the use of the Board of Directors and management and must not be shown to third parties without our prior consent.

We would like to extend our thanks to your staff for the help and courtesy shown to us during the audit.

Yours faithfully



Haines Watts Exeter LLP

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1. Introduction

Scope of our work

We have conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland).

Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

We are required to give an audit opinion as to whether the financial statements:

- give a true and fair view;
- have been properly prepared in accordance with the Financial Reporting Standard 102, the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.
- have been prepared in accordance with the Academies Financial Handbook 2015 (published August 2015) and Academies Accounts Direction 2015 to 2016 (SORP 2015) (published May 2016).

We are also required to give an opinion as to whether the information in the Governors' Annual Report is consistent with the financial statements.

Ethical issues

We confirm that we comply with the Ethical Standards for Auditors and are able to issue an objective opinion on the financial statements. We are satisfied there are no ethical threats to which we need to draw your attention.

Materiality

In carrying out our audit work we were required to reach an opinion as to whether the financial statements were free from 'material misstatement', as noted above.

Materiality is an expression of the relative significance of a particular matter in the context of the financial statements as a whole. An item will normally be considered material if its omission would reasonably influence the decisions of those using the financial statements.

We set certain thresholds for materiality so as to help us determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statement as a whole.

Based on our professional judgement we determined materiality to be £92,923 This was calculated as 1% of turnover.

Our 'triviality' level was set at £900 and therefore we will report to you any misstatements we identify that are greater than this level, as well as misstatements below that amount that, in our view, warrant reporting for qualitative reasons.

Modifications to our audit report

Our audit opinion will be unqualified and no modifications will be made to the audit report.

2. Audit Adjustments

Adjusted items

Details	Balance sheet		Profit and loss	
	Positive effect	Negative effect	Negative effect	Positive effect
Staff costs			50,832	
PAYE/NI creditor		50,832		
Being duplicate wage deduction journal				
Income				39518
Other debtors	39,518			
Being post year-end grant income relating to 2015/2016 roofing project				

These adjustments, whilst not material have been agreed and posted.

Unadjusted items

The following items were identified during our audit. These are not material in total:

Details	Balance sheet		Profit and loss	
	Positive effect	Negative effect	Negative effect	Positive effect
Main fund expenditure		5,500		
Staff training			5,500	
Being netting off of Bursary				
Staff costs			3,911	
PAYE/NI creditor		3,911		
Being wage deduction journal				
Total:				
Total increase/(decrease) in profit		9,411	9,411	

3. Material weaknesses in the accounting and internal control system

In accordance with our engagement letter; our work was undertaken in order to give an audit opinion and our audit testing was not designed to identify all issues that exist in the accounting and internal control system.

However, we set out below details of actual and potential weaknesses in the systems that we observed during our audit and those points raised last year that have not been resolved in the year:

Current procedure	Priority	Management response
<p>Observation: The FMS payroll control account and the payroll imports are not reconciled on a regular basis</p> <p>Implication: This could lead to the non-detection of misstatements on this account.</p>	Medium	Backwell School accept that this has been a concern that they had identified themselves. This has now been rectified by school staff.

4. Other matters

Ethical issues

We have not identified any ethical issues during the audit to which we need to advise you.

Qualitative aspects of accounting practices and financial reporting

There are no matters to be brought to your attention.

Fraud and error

There are no matters to be brought to your attention.

Inconsistency in other information to be issued with the financial statements

There are no matters to be brought to your attention.

Any other matters

During the audit we prepared a VAT turnover reconciliation showing turnover on the returns as £63,255 for the year, the extended trial balance shows relevant turnover of £55,088. The difference of £8,167 is not material and no further investigation was undertaken. You may wish to review and if necessary correct this.