

CAWSTON GRANGE PRIMARY SCHOOL

Management Letter Report

Year ended 31 August 2024

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Dains Audit Limited registered in England and Wales.
Registered company number: 13775287.
Registered office: 2 Chamberlain Square, Paradise Circus,
Birmingham, B3 3AX.



> Section Five

INTERNAL CONTROLS ISSUES.

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The academy trust’s management is responsible for the identification, assessment, management and monitoring of risk, for developing, operating and monitoring the system of internal control and for providing assurance to the Board that it has done so.













Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to the academy trust.

In consequence, our work cannot be relied upon necessarily to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might develop.

We would be pleased to discuss any further work in this regard with the Board.

Our testing to date has identified the following significant control weaknesses which we consider should be brought to the Board’s attention.

We have a system of grading our control weaknesses. Each weakness is graded based on the potential risk level to the academy trust:

High		The academy trust is subject to levels of fundamental risk or inefficiency where immediate action should be taken to implement an agreed action plan.
		
		
Medium		Attention should be given to resolving the position as the academy trust may be subject to significant risks or inefficiency.
		
		
Low		Desirable improvements could be made to improve the control framework or strengthen the ability to mitigate against risks and improve efficiency.
		
		
Best Practice		Point brought to the attention of management as best practice only and the issue raised does not impact on the overall control environment.
		
		

CURRENT YEAR POINTS.

Risk rating	Weakness	Risk	Recommendation	Management response
Low	Income Recognition Incorrect Recognition of Pupil Premium Grant income and accrued income due to using prior year figures for calculation. Minimal error of £206 noted.	Risk that income within the financial statements is being understated and the financial statements do not show the true position of income and accrued income.	Ensure the correct grant allocation is being accrued at year end.	<i>Noted by management</i>

PREVIOUS YEAR POINTS.

Low	<p>Trade creditors</p> <p>Outstanding invoices which were paid in September 2023 are not on the aged creditors report.</p>	<p>Misstating trade creditors can lead to either an overstatement or understatement of an academy's liabilities on the balance sheet. An understatement may present a misleadingly positive financial position.</p>	<p>To mitigate the risk of trade creditors being misstated, the client should maintain robust internal controls, follow generally accepted accounting principles, and perform regular reconciliations and reviews of their accounts payable.</p>	<p>This point has been noted again in the current year as invoices totalling £18,191 were identified from our review of invoices paid in September 2024.</p> <p>Point carried forward.</p>
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GET IN TOUCH.

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Legal Information

Dains Accountants Limited is registered in England and Wales for a range of business activities by the Institute of Chartered Accountants in England and Wales. A list of directors is held at the registered office.

Dains Audit Limited is registered to carry out audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk under number C009460081 for the UK. A list of directors is held at the registered office.

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