

17 December 2021

The Governors  
Darrington Church of England Primary School  
Denby Crest  
Darrington  
Pontefract  
West Yorkshire  
WF8 3SB

Dear Sirs

In accordance with our normal practice, we are writing to draw your attention to various matters, which arose during our audit of the academy's accounts for the year ended 31 August 2021.

### **Audit approach and areas covered**

The purpose of the audit was to enable us to express an opinion on the financial statements. The audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but for the purpose of expressing an opinion on the effectiveness of internal control.

The matters reported below are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

### **Qualitative aspects of the academy's practices and financial reporting**

We have no comments to make concerning the qualitative aspects of the academy's accounting practices and financial reporting.

### **Significant difficulties**

We did not encounter any significant difficulties during the audit and there are no significant findings from the audit to draw to your attention.

### **Adjusted and unadjusted misstatements**

All misstatements determined during our audit have been adjusted for, except for those considered to be clearly trivial.

For your information, we also attach a schedule of adjustments that you agreed should be processed when finalising the accounts.

**Expected modifications to the auditors' report**

There are no expected modifications to the auditors' report.

**Material weaknesses in the accounting and internal control systems**

As you are aware from our letter of engagement, our audit procedures were directed towards testing the accounting systems in operation upon which we have based our assessment of the accounts. Appendix I to this letter contains details of actual and potential weaknesses identified during our audit and our recommendations for improvements. It is not meant to be a full and accurate reflection of all weaknesses that may be present in your system.

In making our recommendations, we have considered the size of your academy and the number of staff you employ. We shall be glad if you will let us know what steps have been taken in connection with the above.

We have also included a summary of the status of our recommendations from the previous year's audit at Appendix II.

**Other matters required by Auditing Standards to be communicated**

There are no other matters that we are required by auditing standards to communicate to you.

**Other relevant matters relating to the audit**

We have discussed with you the fact that we provide additional services to the academy in addition to acting as auditors. We wish to confirm to you that in our opinion the provision of such services does not affect our independence as:

- (i) The additional services provided are of a routine compliance nature and the Board of Governors takes any decisions where judgement is required.

**Report on regularity**

There were no matters arising from our report on regularity.

We would like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit.

Please note that this report has been prepared for the sole use of Darrington Church of England Primary School. It must not be disclosed to third parties, quoted, or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

If we can be of any further assistance, please contact Seema Sugrim.

Yours faithfully

PAYLINGS

## APPENDIX I

### Matters arising from the audit of the financial statements for 2021.

	Issue	Implication/ consequence	Recommendation	Management response
1	Income/expenses posted incorrectly.	Trial balance/management accounts reporting inaccurate.	Monthly reviews on nominal ledger should be carried out to detect mispostings.	Internal systems have been implemented to reduce the number of mis-postings from admin staff from invoice inputting.  Monthly reviews will also be completed.
2	Accruals/Prepayments calculated incorrectly.	Under/over statement of expenditure.	Ensure accruals/prepayments calculation agreed to invoice (net of invoice amounts/correct period)	To ensure all future prepayments/accruals are net of invoices.
3	Reversal of opening balance journals for accruals and prepayments.	Trial balance/management accounts reporting inaccurate.	Accruals and prepayments should be reversed for the prior year as per Paylings and to corresponding nominal codes.	To ensure nominal codes correspond to where invoices are to be posted.
4	VAT not being claimed in a timely manner.	Cash flow for the academy.	VAT should be claimed at least on a quarterly basis.	Vat was claimed three times in the year due to healthy cashflow.  This will now be claimed quarterly as per recommendation.

## APPENDIX II

Status update on audit recommendations made in prior year. (Year ended 31 August 2020)

	Issue	Implication/ consequence	Recommendation
1	Accruals and prepayments.	Under/over statement of expenditure.	Accruals and prepayments should be reversed for the prior year and adjusted on a monthly basis.
2	Control accounts.	Over/understatement of income and expenditure.	Control accounts should be reconciled on a monthly basis. During 2020 control accounts were found not to balance. Training may be required.
3	VAT not being claimed in a timely manner.	Cash flow for the academy.	VAT should be claimed at least on a quarterly basis.

## APPENDIX III

Matters arising from the report on regularity – 2021 & 2020 status update

	Issue	Implication/ consequence	Recommendation
1	Nothing to note.		

# Paylings

CHARTERED ACCOUNTANTS