

Audit Report

Encompassing the Management
Letter, System Findings and other
Audit Matters

**John Spendluffe Technology
College**



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This document has been prepared for the sole use of John Spendluffe Technology College and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed to any other person in respect of this report and any persons reading it should make their own judgements and investigations.



1. Audit Introduction and General Comments

We have completed our audit of the financial statements for the 31 August 2025 of John Spendluffe Technology College ('the Academy').

We would like to take this opportunity of expressing our thanks to your staff for their assistance during our audit. We are pleased to report that the audit was completed successfully and without any problems.

Our audit work is only conducted on a sample basis, so it is unable to guarantee that all errors are found. As a result of this, you may feel that certain areas, such as reviews of specific controls, especially in connection with wages, tax and VAT would benefit from more detailed investigation.

The finance team need to be aware that the Accounts Return needs to be completed by the deadline of 28 January 2026.



2. Key Audit Areas

Key Audit Areas

Our Approach

Income recognition and completeness of income

We have agreed the General Annual Grant (GAG) funding to the funding documents issued by the DfE. Other DfE revenue and capital income streams have been agreed as accurate by reference to remittances and funding allocations. The accuracy and completeness of the main local authority revenue income streams including SEN have been vouched to remittances and funding allocations. We reviewed pupil catering income through agreements of receipts to supporting documentation.

Completeness and accuracy of payroll

As payroll is the largest cost in the accounts, the payroll cost per the accounts has been reconciled / agreed to the payroll records for the year. We have also reviewed the systems and controls around payroll and agreed the accuracy of processing in the year in relation to the accuracy of pay, existence of employees and the accuracy of payroll deductions.

Regularity

We have completed reviews to ensure that the Trust is complying with the 'musts' in the Academy Trust Handbook and that purchases made are deemed to be appropriate Trust expenditure.

LGPS pension valuation

We have agreed the year-end position to the actuarial report received. We have considered the competency and expertise of the actuary. We have reviewed the assumptions used by the actuary and compared them to other actuary pension fund assumptions to assess for reasonableness.

Statement of Financial Activities and funds

We have reviewed and agreed the classification of income and expenditure in the accounts in line with the DfE Chart of Accounts and reviewed year-on-year variances. We have reviewed the allocation of income and expenditure as accurate in terms of funds.

Going concern

We have reviewed management's assessment in relation to going concern and have agreed that there are no specific concerns such that the disclosures given in the financial statements are not accurate or that our opinion should be modified in any way.



3. Executive Summary

Financial:

- Total income per the financial statements is £7.5million, an increase of £1.30million compared to the previous year. The increase is largely due to:
 - a) the level of capital grants for the year including the local authority income of £571,500, compared to £158,500 in the previous year, and the CIF income of £296,000 but offset by the Connect the Classroom in the previous year of £94,000.
 - b) the receipt of the reorganizational funding from the local authority in relation to the increased pupil capacity of £181,000.
 - c) the receipt of the Core School Budget Grant funding from the DfE of £175,000.
- Income from other trading activities totalling £176k (2024 - £145k) which includes catering services provided to third parties of £96k (2024 - £84.6k). Please refer to our additional comments in Section 10.
- Total expenditure per the financial statements is £6.56million, an increase of £467k compared to the previous year. The single largest increase is in total staffing costs of £460k. Other variances in the year have been increases in technology costs and repairs which are offset by a reduction in utility costs.
- The SoFA shows a surplus total net movement in funds after actuarial adjustment of £821k compared to the small deficit in the previous year of £8.5k. Of the surplus, £602k is the increase on restricted fixed asset (capital) funds and £219k is the increase on revenue funds.
- For revenue funds, total revenue income for the year, including DfE and local authority funding, was £6.62million with corresponding in-year expenditure of £6.25million giving an initial revenue surplus of £370k. The initial revenue surplus includes a surplus of £125k arising LGPS adjustments made to expenditure with revenue contributions being made to capital works and the acquisition of fixed assets totalling £26k to arrive at the overall revenue surplus of £219k above.
- Consistent with the previous year, the LGPS actuarial valuation once again valued a surplus position which has been restricted to £nil in the financial statements.
- The balance sheet at the year-end shows total funds of £9.1million of which £8.18million relate to the restricted fixed asset fund. Total free reserves being restricted and unrestricted general funds are £938k.



Non-Financial:

- We have identified 4 systems and control points from the current year all of which are deemed minor concern. Of the 3 points carried over from our 2024 report, our testing confirmed that the matters have been adequately addressed and will not be carried forward to the 2026 audit.
- There are no expected modifications to the auditors' report and regularity report.
- There are no non-trivial actual unadjusted misstatements reported.
- We have not identified any instances of fraud or non-compliance with laws and regulations.



4. Overview of the Year

Income

Minor reclassifications of income have been agreed to the financial statements such that disclosure is presented in line with the DfE Chart of Accounts. Income per the financial statements can therefore be analysed as follows:

	2025 £	% of income	2024 £	% of income	Variance £
<i>Donations and capital grants (Note 2)</i>	930,672	9.80%	266,729	4.30%	663,943
<i>Funding for the Academy's educational operations (Note 3)</i>	6,394,308	87.73%	5,788,197	93.21%	606,111
<i>Other trading activities (Note 4)</i>	175,665	2.41%	144,755	2.33%	30,910
<i>Investment income (Note 5)</i>	4,449	0.06%	10,102	0.16%	(5,653)
Total	7,505,094		6,209,783		1,295,311

Consistent with previous years, most of the Academy's income has arisen due to its educational operations.

The General Annual Grant (GAG) income for the year has increased by £280k to £4.70million with increased funding per pupil following update to the National Funding Formula (NFF) and slightly higher funded pupil numbers. In 2024/25, the Academy has also received the Core Schools Budget Grant of £175k, recognised National Insurance Funding of £28k and seen increases to its Teachers Pay and Pension Grants which are offset by the removal of the Mainstream Schools Additional Grant in 2023/24 of £156k which was rolled into the NFF.

There has also been a total increase in local authority funding of £250k from increased SEN funding but mainly the reorganizational funding received of £181k in relation to increasing pupil capacity.



Government income streams have been fully vouched by reviewing agreements from funding providers.

Our audit work has not highlighted any systems issues or cut-off concerns in respect to other income. Other income types in the financial statements can be analysed as follows compared to the previous year:

	2025 £	2024 £
Donations and capital grants (Note 2)		
Donations	49,020	-
Capital grants	881,652	266,729
	930,672	266,729

The donations income in the current year is the voluntary income received in the year from Nuclear Waste Services.

The increase in capital grants of £615k is due to the amount of local authority and CIF funding received / recognised in the year for expansion / refurbishment works compared to the previous year.

The academy had a successful CIF project in the year with works commencing before the year end. In line with the Academies Accounts Direction and the accounting policies, capital grants are recognised in full when there is an unconditional entitlement to the grant, and unspent amounts of the capital grants are reflected in the restricted fixed asset fund. Entitlement arises when control over the rights or other access to the economic benefit has passed to the academy trust. Since the CIF grant offer had been made and accepted before the year end, control over access to the funds has passed to the academy with income fully recognised in the accounts.

In addition, a capital commitment disclosure of £249k for the remaining CIF works contracted for has been made.

Other trading activities (Note 4)		
Third-party catering	95,947	84,586
Other income	79,718	60,169
	175,665	144,755

The Academy has provided additional catering services in the year.



Expenditure

The main cost of the Academy are its staff costs totalling £5,076,002 (2024: £4,616,070) including adjustment for the revaluation of the LGPS balance which is 77.4% (2024 – 75.8%) of all expenditure. Staff costs excluding the LGPS adjustments are 77.9% (2024 – 79.2%) of revenue income (total income less capital grants) in the financial statements.

Previously, staffing costs over 80% of total your total costs and income would be considered high by the DfE; although they are now suggesting that Trust's should be in the range of 72% to 75%.

The total staff costs can be analysed as follows:

	2025 £	% of Gross	2024 £	% of Gross	
<i>Wages and salaries</i>	3,759,226		3,533,942		
<i>Employer national insurance and other social security</i>	412,109	10.96%	339,266	9.60%	Consistent with national insurance changes with effect from April 2025
<i>Employer pension costs</i>	939,089	24.98%	813,488	23.02%	Consistent with full year TPS rate increase
<i>LGPS actuarial adjustment</i>	(82,000)		(90,000)		
<i>Agency and restructuring costs</i>	47,578		19,374		
Total	5,076,002		4,616,070		

Payroll costs per the financial statements have been reconciled to your payroll provider's report with no material differences.

Staff numbers on the FTE basis for the year are 90 (2024: 88) based on which the average salary per the accounts is £41,769 (2024: £40,158), an increase of 4.0% which is consistent with pay awards affecting the year.

Based on the teacher pay per the accounting records and the teacher FTE of 41 (2024: 39.9), the average salary for teachers has increased by approximately 3.9% from £51,100 to £53,118.



Other Expenditure:

The remaining expenditure relates to the general running of the Academy and appear reasonable. Our audit work has not found any material errors or cut-off issues. If you feel that any of these costs could be reduced, please do not hesitate to contact us as we may be able to help with alternative suppliers.

In terms of other expenditure per Note 7 of the financial statements, the following is an analysis of other sizeable costs more than £100,000:

	2025 £	% of Revenue Income	2024 £	% of Revenue Income	Comments
<i>Technology costs</i>	128,131	1.93%	103,785	1.75%	Agreed purchase of large amount of low value equipment in the year
<i>Other direct costs</i>	150,666	2.27%	149,290	2.51%	
<i>Depreciation</i>	203,680	3.08%	220,436	3.71%	
<i>Repairs and maintenance</i>	224,850	3.39%	201,320	3.39%	Prior year included expenditure relating to the Connect the Classroom funding with the current year including CIF-related expenditure not deemed to add / re-instate any property value. Other general increase in the outlay on equipment and furniture compared to the previous year
<i>Rent, rates and utilities</i>	138,600	2.09%	176,544	2.97%	General reduction in utility costs compared to the previous year
<i>Catering</i>	304,021	4.59%	301,286	5.07%	No significant change in line with level of income in each year



Balance Sheet

The balance sheet shows total funds £9,114,897 (2024: £8,294,129). The position includes the asset ceiling adjustment to the LGPS balance to £nil consistent with the previous year.

	2025 £	2024 £
<i>Tangible Fixed Assets - £7,917,897 (2024 - £7,561,245)</i>		
Land and buildings	7,832,288	7,501,225
Furniture and equipment	45,062	5,792
Computer equipment	39,928	53,403
Motor vehicles	619	825

Tangible fixed asset additions in the year amounted to £560,332 (2024: £462,281). Additions in the year are largely the expansion / refurbishment works completed out of the LCC capital funding. The financial statements include disposals of fully depreciated furniture and equipment and computer equipment with a total depreciation charge for the year totalling £203,680 (2024: £220,436).

Debtors - £716,154 (2024 - £254,595)

Trade debtors	8,196	2,022
VAT recoverable	97,056	88,069
Prepayments	60,848	55,973
Accrued income	550,054	108,531

The increase in debtors is due to the increase in accrued income which is made up of:

- *the £230,000 (2024: £nil) final LCC capital funding due*
 - *accrued CIF funding of £216,759 (2024: £nil)*
 - *pupil premium of £63,462 (2024: £58,568),*
- *national insurance income of £27,912 (2024: £nil),*
- *other balances of £11,912 (2024: (£701) and*
- *SEN income of £nil (2024: 31,326) which arose due to a delay of receipt for August 2024.*



Cash at bank and in hand - £824,719 (2024 - £750,626)

Current accounts	417,122	647,354
Notice day deposits	407,365	103,023
Cash	232	249

There has been an increase in the overall cash reserves of the Academy although at the year-end additional amounts have been placed in short-term deposits compared to the previous year.

Amounts in short-term deposits could be disclosed separately on the face of the balance sheet.

Creditors due under 1 year - £343,873 (2024 - £272,337)

Trade creditors	98,402	29,944
Taxation and social security	95,346	73,982
Other creditors	49	-
Pension creditors	106,432	93,331
Accruals	43,644	75,080

Increases to taxation and social security and pension creditors are consistent with the increased liabilities arising from the payroll.

The decrease in accruals is mainly due to prior year balance for the non-teaching staff backpay unsettled as at 31 August 2024. The uplift from April 2025 was processed as part of the August 2025 payroll run.



Pension Scheme Asset / (Liability) - £nil (2024 – £nil)

The annual valuation of the LGPS balance has been completed by Barnett Waddingham and based on the assessed actuarial assumptions. This has resulted in a surplus. On the basis that it has been determined that the surplus will not be recovered by reduced contributions / a refund, the surplus has been restricted to £nil in both the current and previous year.

Please also note that, as stated in the pensions note in the accounts, Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy closure, outstanding LGPS liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. However, it is possible that your annual contribution could increase.

Funds

We have not found any evidence that the funds of the Academy have been used for any purpose other than for the benefit of its pupils.

Overall, the financial statements show total reserves of £9,114,897 (2024: £8,294,129). Based on the financial statements, the total free reserves of the Academy are £937,870 (2024: £719,144) and is made up of:

- Unrestricted general funds – balance of £nil (2024: £268,121) – unrestricted funds have been fully spent in the year in line with allocations provided with it being noted that expenditure was not accurately allocated in prior year financial statements such that a transfer has been recognised to reclassify the unspent balance brought forward to GAG.
- Restricted general funds – total balance of £937,870 (2024: £451,023) – an increase of £486,847 including the transfer above. Expenditure has been fully allocated against pupil premium such that no carry forward is presented in line with the expected pupil premium statement for 2025/26.

Total revenue reserves carried forward are 14.16% of 2025 revenue income in line with the DfE's expected range of between 5% and 20%.

The total of the restricted fixed asset fund of £8,177,027 is made up of the net book value of fixed assets of £7,917,897 plus unspent capital funding of £259,130 (CIF and local authority). The unspent local authority income has been allocated for the purchase of land for additional car parking. The acquisition has still not been completed such that no capital commitment has been disclosed, or any other designation of funds has been included in the financial statements.



5. Independence and Ethical Matters

As with previous year, we identified a potential ethical issue, a self-review threat, arising from our firm being involved in completing the accounts, and not just the audit.

We will mitigate the self-review threat in relation to the production of the Financial Statements by having another suitably qualified member of staff, not involved in the audit, review the accounts and complete the required accounts production checklist. We also ensure the Academy has informed management. By informed management, we mean the Academy has individuals and groups within its management that can make decisions and understand the finances of the Academy, including the Financial Statements. This group of people can actively approve any adjustments that we make to the accounts.

You confirmed by return that the following are informed management:

- J Treasure – Business Manager
- S Curtis - Headteacher

The Board of Trustees as a whole are also deemed to be informed.



6. Formal Matters to be Reported

In accordance with our normal practice, we are writing to draw your attention to various matters which arose during our audit of the Academy accounts for the year ended 31 August 2025.

a) **Expected modifications to the auditors' report and regularity report**

There are no expected modifications to the auditors' report or the regularity report.

b) **Unadjusted misstatements**

A schedule is included at section 9 of all the unadjusted misstatements determined during our audit, except for those considered to be clearly trifling. As confirmed in your letter of representation to us, you believe that these adjustments are not material and therefore no amendments to the financial statements are required.

You have confirmed in the Letter of Representation that any amounts below £6,500 are trivial and do not need reporting to you.

c) **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.

Section 7 of this report includes specific audit points and 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 the 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.

d) **Qualitative aspects of the entity's accounting practices and financial reporting**

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

e) **Identification of Fraud**

We are pleased to report that our audit has not found any instances of fraud.



f) [Compliance with key laws and regulations](#)

Our audit is required to consider and assess the Academy's compliance with central laws and regulations, and consider the existence of breaches that could lead to a fundamental event, such as excessive fines that have a material impact on the financial statements, that threaten the going concern status of the entity, or legislation that could lead to the forced closure of operations.

Our work has not identified any instances of material breach, and the Academy appears to have devoted sufficient resources, experience, skills and training to all key regulatory aspects of its affairs.

We are happy to offer any assistance necessary to ensure that this is the case.

g) [Other information connected with the financial statements](#)

Auditors are required to review any other information issued with audited financial statements, such as an annual review, website announcement or trustees' report, and determine if such reports are consistent with the financial statements.

We are pleased to report that the trustees' report content is consistent with the financial statements.

h) [Other matters required by Auditing Standards to be communicated](#)

There are no other formal matters to be reported to you and the other details included within the report are above and beyond our requirements to report.

i) [Other relevant matters relating to the audit](#)

There are no other matters which we wish to draw to your attention.



7. Specific Audit and Control Points

Inherent Audit Risks for the Sector

All Academy Trusts are potentially exposed to the following inherent audit risks:

- those in key positions having the ability to override internal controls and conceal this fact;
- errors remaining undetected as there is no independent scrutiny or checking of their work at the detailed level; and
- in extreme cases, persons acting in collusion to perpetrate fraud or conceal fundamental errors (e.g. collusion with customers over rates or payments).

Accounting and internal control environment

In academies, the accounting controls are often operated by a small number of individuals which leaves it exposed to risks associated with an environment in which a small number of people have control over many aspects of the control environment.

As a result, it is normal for us to caution that in this situation the academy is potentially exposed to:

- Petty cash and charge card transactions are made without correct authorisation giving rise to a greater risk of fraud or inappropriate expenditure.
- Fictitious staff / payments on the payroll.
- Purchase ledger matters where persons with sole control over the ledger have the power to create false suppliers, invoices and payments, or act in collusion with suppliers.

Based on our work, we have not identified any indications of irregularity during the year.

Specific Audit Points

Accounting Estimates / Judgements - we have no significant concerns to raise over the accuracy of the key accounting estimates / judgements affecting the financial statements with separate reference in relation to the LGPS given earlier in our report.

We do specifically note that the fixed assets have been accurately depreciated in line with the disclosed accounting policies. There is no evidence that the policies are unsuitable, inaccurate or subject to management bias.



Control Points

Following our audit work, we have set out below the key observations of a systems and internal control nature that have arisen.

The points are raised to assist the management team in strengthening and formalising the internal control environment, something which is essential and often overlooked in a small company environment. These issues raised are not intended as, nor should they be construed as, criticism of management or individual persons. They are intended to be of assistance in establishing an appropriate system of internal control, essential to an academy trust.

Our audit focuses only on those aspects of internal control that are material to the production of accurate financial statements and safeguarding assets of the Academy and therefore is not exhaustive. We only consider peripheral areas if they directly support other systems of internal control or provide compensating controls to an area with potential weaknesses.

Where matters of efficiency come to our attention, we shall of course report these to you directly. However, the audit should not be relied upon to identify all matters of duplication or inefficiency in the allocation of responsibilities or the processing of transactions.

We have also reviewed the recommendations brought forward from the previous year and assessed whether any control changes have been made by management.

We accept that some recommendations made would involve changes or additional resources that the Academy may not consider to be cost effective. However, it is important for senior management to remain alert of the need to maintain an increasingly formal control environment to manage any risk, errors or irregularities in the financial reporting and internal control systems.



Key



Key concern. Potential breach of regularity.



Moderate concern. Action believed to be required.



Minor concern. Action believed to be required but not considered a significant issue.



No concern. Action not required but any suggested improvement should be considered.

Recommendations for the Year Ended 31st August 2025:

	Points Noted	Corrections and System Improvements	Benefit of Control	Action and comments by the Academy (including timescale for change)
1	The monthly school fund bank reconciliations have not always been signed off by the preparer in the year.	Ensure reconciliations are signed off as prepared.	A clear audit trail and the demonstration of the segregation of duties.	Corrective actions have been taken in this area since Sept 25 and commencement of new financial year for this to be done. This is being done as part of the month end process and reconciliations.



2	Picture signatures have been used for the authorisation / approval of payroll for times when individuals were not available on site.	Payroll approval / authorisation should be given by methods which are not as subject to manipulation or alternative personnel with authorisation might be added into the policy.	Prevention of manipulation of approval / authorisation of the payroll.	Corrective actions have been taken in this area since Sept 25 and commencement of new financial year for this to be done. 'Wet signatures' are now being completed. This is being done as part of the month end reporting process with Headteacher and Chair of Governors.
3	The fixed asset register has not been maintained by the finance team. Agreed audit adjustments therefore include the capitalisation of additions and the depreciation charge as well as the disposal / write-off of many fully depreciated assets.	The FAR should be maintained internally with additions / disposals and depreciation charge posted to the accounting records.	Accurate recording / monitoring of fixed assets in the financial statements.	The Academy will look to implement a Fixed Asset register for the Financial Year 25-26 with the assistance and input from Forrester Boyd for templates, depreciation rates etc.
4	<p>It was noted that you do not currently prepare any Business / Non-Business (BNB) VAT calculations.</p> <p>These calculations are necessary to calculate the proportion of VAT on costs that are allocated to business activities that the Academy is not allowed to reclaim.</p> <p>This calculation is needed if the Academy submits VAT 126 forms or is VAT registered.</p>	<p>We recommend that you prepare a BNB calculation at least annually and apply this to each VAT 126.</p> <p>We are recently seeing a lot of our academy clients having VAT inspections and this is something HMRC will challenge if it is not completed.</p>	This helps to ensure that the Academy will be able to produce a BNB calculation if requested from HMRC and that the Academy is claiming the right VAT amount on inputs.	<p>The Academy accepts this point but may need some greater clarification from Forrester Boyd's VAT specialists on how to do this with the school being overall VAT registered.</p> <p>This process did use to take place when VAT 126 forms were being completed but this is a number of years ago and we will need guidance on how to achieve this.</p>



Follow Up Review of Recommendations from the Year Ended 31 August 2024:

We have assessed the issues and recommendations we made for the year ended 31 August 2024 and have reviewed whether action has been taken on our recommendations.

A record of our findings can be found below. However, overall, we are pleased that improvements have been made in the areas raised.

Recommendations Brought Forward from 1 September 2024		Number of Recommendations Implemented	Number of Recommendations Carried Forward	
3		3	0	

	Points Brought Forward and Recommendation Made	Actions / Findings in 2024/25	Carried Forward to Next Year	Resolved?
1	<p>Monthly management accounts were not completed for all months reviewed such that they could be shared with the Chair / Board. The review also identified the management accounts prepared as insufficient based on the DfE requirements.</p> <p>Recommendation:</p> <p>Monthly management accounts are prepared in a format in line with DfE requirements and shared with the Chair / Board.</p>	Based on the sample tested, the management accounts have been prepared monthly in line with DfE requirements and shared with the Chair / Board.	No	Yes
2	<p>The Academy uses a debit card for online purchases.</p> <p>Recommendation:</p> <p>Switch to using a charge card rather than the debit card.</p>	The Academy switched to a charge card part way through 2024/25.	No	Yes



Whilst salary statements were issued, a record was not always visible. Recommendation: Include a salary statement section within an employee HR file.	Salary statements were visible within employee HR files.	No	Yes
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8. Surplus Reconciliation and Adjustments Made

Please find detailed below the adjustments made during our audit work, which form part of the journals you approve within your letter of representation to us.

	Total £
<i>Surplus per internal records</i>	164,933
<i>Adjustments:</i>	
<i>Agreed fixed asset additions</i>	560,332
<i>Depreciation charged per updated fixed asset register</i>	(203,680)
<i>Accrued income adjustments – pupil premium and national insurance funding</i>	91,374
<i>Accrued income adjustment – recognition of CIF funding balance</i>	216,759
<i>Final agreed accrual for year-end audit and accounts services</i>	(8,950)
<i>LGPS movement – surplus restricted to £nil in line with prior year</i>	-
<i>Surplus per the financial statements</i>	820,768

If you require any clarification on the above adjustments, please do not hesitate to contact us.



9. Unadjusted Misstatements

There were no non-trivial actual misstatements identified during the audit. For the audit, trivial was set at £6,500.

However, it was brought to our attention that recent correspondence with the local authority had suggested the clawback of funding for excluded pupils. The quoted value was not material to the accounts with sufficient uncertainty following the joint objection from local headteachers that no accrual or provision has been included in the financial statements.

10. Corporation Tax Review

As part of our work, we have undertaken a brief review of the Academy's income streams in consideration of any taxable income. We identified that the total income received in relation to the provision of third-party catering services was approximately £96,000 which is above the non-primary purpose trading income threshold of £80,000. However, the service was agreed as not being provided to achieve a profit.

However, we would highlight that our audit review is not extensive of all income received by the Academy so we would recommend a detailed review of income to determine any tax charge due.

Per HMRC records, a tax return is not currently required to be filed for the 2025 year-end.

11. Subsequent Events

As part of our audit work, we are required to consider all subsequent events up to the date of the audit opinion and we therefore enquire for the governors to confirm their knowledge of any subsequent events potentially impacting on the financial statements at our meeting and to provide confirmation in the audit letter of representation.



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