

Inspire Partnership Multi-Academy Trust
High Street
Gawthorpe
Ossett
WF5 9QP

Dear Sirs

INSPIRE PARTNERSHIP MULTI-ACADEMY TRUST

MANAGEMENT LETTER FOR THE YEAR ENDED 31 AUGUST 2017

Audit approach and areas covered by the audit

Our audit of Inspire Partnership Multi-Academy Trust was risk-based and we adopted a substantive approach that focussed on the testing of key balance sheet areas and a various samples of transactions during the year. Our work on regularity included, a review of the accounting officer's statement, an examination of the academy's procurement procedures and a review of expenditure.

Audit findings

As a result of the procedures which we undertook as part of our audit work on the above academy for the year ended 31 August 2017 the following matters were identified:

| Issue (Risk level) | Description | Response |
|---|--|--|
| Inter-school transactions (medium) | It was noted that transactions between the different schools did not always tie up. It is important that a system is put in place to ensure that if an invoice is raised in one school, a matching invoice is raised in the related school. The balances between the different schools should be reconciled on a regular basis to avoid any differences arising. | Unfortunately an error on the set up of our Lloyds Credit Card Direct Debit meant that each schools bank account was not separately debited for Credit Card payments instead the Trusts bank account was. Credit Card transactions made by some schools/academies had already been input onto the financial management system so when the Sales Invoice recharge was raised by the Trust the school/academy concerned could not show the invoice on their system. They just had to match the credit card transaction against the bank transfer that was made to show payment. This situation has now been rectified by Lloyds bank and so this situation should not occur in the future. |

| Issue (Risk level) | Description | Response |
|---------------------------------|--|--|
| Fixed assets (low) | It was noted that Fixed asset registers for the various schools did not take the same form, and in some cases included limited information. We would recommend using asset recording software and adopting similar recording systems across all the schools, to ensure an accurate picture is maintained of all the schools assets, particularly IT equipment. | This finding is recognised by the Trust as an issue, unfortunately the asset registers on conversion from a maintained school are in various forms and include limited information. The Trust is considering adopting asset management software to address this situation. |
| School fund (medium) | It was noted that bank statements were not available for all school funds at the end of the year. It is important that the academy obtains all statements each month to ensure that transactions can be correctly recorded and monitored. | The Trust asks all its Academies/Schools to close their school funds on conversion. Unfortunately a couple of the newly converted school had not managed to complete this action prior to the year end. When this situation occurs in future the trust will ask the schools/academies concerned to obtain monthly bank statements. |

Status of audit recommendations from the previous year

| Issue (Risk level) | Description | Status |
|-------------------------------|--|----------------------------------|
| VAT errors (low) | It was noted that the academy has some income which is exempt from VAT. This means that a partial exemption calculation should be performed each quarter to ensure that all input tax is recoverable. Given the level of exempt income it is unlikely that any input tax would be recoverable, but a calculation should be performed to ensure that this is the case. This is now being performed. | Calculations now being performed |

| Issue (Risk level) | Description | Status |
|--|--|-----------------------------|
| Accounting officer statement (medium) | Little formal evidence supporting the accounting officer's statement on regularity, propriety and compliance could be found in the prior year. Two detailed internal audit reports were noted during the current year. | Reports now being prepared. |

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

Yours faithfully

GIBSON BOOTH