

# Key Issues for Discussion Hardenhuish School Limited ("The Trust")

For the Year ended 31 August 2025



# Management letter points and internal control systems

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

In accordance with the terms of our engagement we have not provided a comprehensive statement of all issues which may exist in the accounting and internal control systems or of all improvements which may be made, but outline below our observations arising from the audit, none of which are considered significant.

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

## KEY:



*Financial* - Observations refer to issues that are so fundamental to the system of internal control that management should address immediately to minimise the risk of a material misstatement within the financial statements.

*Governance* – Observations that are fundamental to good governance and should be addressed immediately to minimise the risk of governance failings.



*Financial* - Observations refer mainly to issues that have an important effect on the system of internal control and, if left uncorrected could potentially lead to a material misstatement within the financial statements.

*Governance* – Observations that are important to good governance and should be addressed to minimise the risk of governance failings and to help improve procedures.



*Financial* - Observations refer to issues that would, if corrected, improve internal control in general and engender good practice, but is unlikely to have a material impact on the financial statements.

*Governance* – Observations that if addressed would help to improve and embed good governance practices but is unlikely to lead directly on its own to governance failings.



Observations made in the previous year have been resolved.

Summary of progress against points raised.


Risk Rating	2025	2024
	0	0
	0	0
	1	2
	2	0

### Internal financial controls



Our review of the Trust's system of internal control is carried out to assist us in expressing an opinion on the financial statements of the Academy as a whole. This work is not primarily directed towards the discovery of weaknesses or the detection of fraud or other irregularities (other than those which would influence us in forming that opinion) and should not therefore be relied upon to show that no other weaknesses exist. Accordingly, we refer only to significant matters which have come to our attention during the course of our normal audit work and do not attempt to indicate all possible improvements which a special review might reveal.

The following table summarises our significant control observations together with any recommendations we have for possible improvements which could be made.

### Current Year Matters

Contracts unsigned by employees	
	
<p>During our testing of wage costs, and sample checking of employment contracts, we found that 10 contracts (from a sample of 10) had not been signed by the employee.</p> <p>From further investigation, we were provided with separate signed acceptance letters for each employee.</p>	<p><b><u>Recommendation</u></b></p> <p>We recommend streamlining the process by obtaining a signed version of the employment contract.</p> <p><b><u>Management Comment</u></b></p> <p>We agree that the process can be streamlined and will look to implement this in the future.</p>

### Prior Year Matters - Resolved

Companies House Information not updated	
	<i>Prior Year Rating:</i> 
<p>Neal Craig, trustee, was listed as a trustee within the financial statements and included within the "Get information about schools" gov.uk website.</p> <p>However it was discovered that their name was not included on Companies House, and their appointment was not filed.</p> <p>This means that information held on publicly listed websites was out of date.</p>	<p><b><u>Update this year</u></b></p> <p>Neal Craig has been added to Companies house. We conducted a review and can confirm that all information is now up to date.</p>

## No purchase order or goods received note for our purchase walkthrough review



Prior Year Rating:

In the prior year, during our Expenditure Walkthrough testing we noted that the purchase we had selected had been made without a purchase order being raised, and a purchase invoice had been raised without a GRN being raised.

From discussions with the school it was noted that the purchase was for blinds and was made during half-term by the site manager from an approved supplier.

However this still meant that the system of internal control was not followed.

### Update this year

During the current year, we conducted another walkthrough of the expenditure system, and we concluded that the systems of internal control had been followed in line with our expectations.



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