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Saturn Education Trust

Year Ended 31 August 2018

Audit Management Report

Letter to those charged with governance

Dear Sirs

We have pleasure in presenting this report based on the results of our audit of Saturn Education Trust. In accordance with ISA 260 we are writing to draw your attention to various matters which arose during the course of our audit of the academy's accounts for the period to 31 August 2018.

We have some comments to make concerning the entity's accounting practices and there are some findings from the audit to draw to your attention. In making our recommendations, we have considered the size of your charity 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 points below.

The principal objective of our audit procedures is to enable us to express our opinion on the truth and fairness of the financial statements as a whole and our opinion is based on the concept of reasonable assurance. It is not a guarantee that the financial statements are free of misstatements. In seeking to achieve a cost-effective audit, our audit procedures are tailored to our assessment of risk and material misstatement, taking into account the inherent risks of error or fraud and our assessment of the effectiveness of controls in eliminating or reducing those risks. 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 not 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.

This report forms part of the continuing dialogue between us and considers only the significant control and audit issues which have come to our attention. It is not intended to include every matter identified during the course of our work, and it is not meant to be a full and accurate reflection of all internal control weaknesses that may be present in your system.

Please note that this report has been prepared for the sole use of Saturn Education Trust. 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.

We do not propose any modifications to our audit opinion and hence will be issuing a clean audit report.

We are grateful to Malcolm for his assistance during the course of the audit.

Yours faithfully,

Ian Rodd
Senior Statutory Auditor

Audit and Accounting Issues raised following the audit of the year ended 31 August 2017.

1. Several bank transactions from September and October 2017 were posted to be included in the bank balance at 31 August 2017. We observed the bank payment process, the error is occurring when the system asks for the period to which the transaction should be posted.
2. Following on from the first point, it is clear that bank reconciliations are not being properly prepared or reviewed.
3. It is noted that, in addition to the errors identified in the bank reconciliation, other balance sheet reconciliations are not being carried out. For example, the VAT reconciliation.
4. Journals are being posted directly to reserves codes in Corero.

The recommendations made in the management letter have been addressed by management and the outcomes of the changes made have been audited.

Actions to be taken following the audit of the year ended 31 August 2018.

1. Continue to regularly reconcile the bank account. It is recommended that any difference identified by finance staff are investigated and corrected.
2. No journals should be made to reserves codes.

No further issues have been identified that require management or trustee action in the current year.

Helping you reach your goals



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