Introduction

Our audit of the financial statements of Eaton Bank Academy ("the Academy") is now complete. The purpose of this letter is to bring to your attention the findings from our audit. We appreciate that you will already be aware of the majority of the matters contained in this letter.

In order to comply with the provisions of the International Standard on Auditing (ISA) 260 – 'Communication of Audit Matters with those Charged with Governance' we report to management on the findings of our audit, with particular reference to:-

- views about the qualitative aspects of the Academy Trust's accounting practices and financial reporting;
- the letters of representation;
- unadjusted misstatements;
- matters specifically required by other Auditing Standards to be communicated to those charged with governance (such as fraud and error);
- expected modifications to the auditor's report;
- material weaknesses in the accounting and internal control systems; and
- any other relevant and material matters relating to the audit.

We also take this opportunity to comment on the Academy Trust's performance for the year and to confirm our professional integrity, objectivity and independence.

We see effective communication as being a key part of our audit, and it is important that there is effective two way communication. We welcome any feedback or questions regarding the conduct of the audit process.

Key findings from our work are as follows;

- Key audit issues have been concluded satisfactorily as detailed on pages 2 to 3 of this report;
- The overview of the financial statements has confirmed the downward movement in funds being due to a decrease in capital funding received and the year end actuarial valuation. Net assets have increased due to the addition of over £2m worth of assets;
- We confirmed the going concern assumption adopted by revewing the Academy's 5 yeaar budget and underlying assumptions. We noted that an in year surplus is budgeted for 2018/19 however funds remain in defecit untill 20/21. We confirm that the Academy has notified the ESFA of its financial position;
- We have issued an unmodified audit opinion this year as funding is in place to meet liabilities as they fall due;
- We have issued an unmodified regularity opinion as nothing was identified in the course of our work to suggest otherwise;
- The year end adjustment for the actuarial valuation was the only adjustment identified in the financial statements;
- Our accounting and internal control system review was positive based on the work performed and we concluded that controls are operating effectively, as detailed on pages 12 to 14 of this report.

This report is not intended to cover every matter which came to our attention during the audit. We do not accept any responsibility for any reliance placed on it by third parties. Our procedures are designed to support our audit opinion and cannot be relied upon to identify any weakness in systems or controls which may exist.

Beever and Struthers

Beever and Struthers **Date** 14/12/18