

Management letter

Prepared for the board of trustees of
The Hamblin Education Trust

For the year ended 31 August 2025

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1. Introduction

We are pleased to set out in this document our report to the trustees of The Hamblin Education Trust for the year ended 31 August 2025.

Our responsibilities as auditors are set out in the International Standards on Auditing (UK and Ireland) ("ISAs"). We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

We have carried out our audit in accordance with the terms of our engagement letter dated 05 September 2025 in order to express an audit opinion for UK statutory purposes on the financial statements of The Hamblin Education Trust for the year ended 31 August 2025. We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you in our audit plan letter dated 07 August 2025, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

In this report, we present the key findings from our audit, together with a commentary on the significant matters arising. The matters that have been reported are limited to those deficiencies identified during the audit which we have concluded are of sufficient importance to bring to the attention of those charged with governance. This report has been discussed comprehensively and agreed with J Brennan and J Jackson.

This report has been prepared for the sole use of the trustees of The Hamblin Education Trust. We understand that you are required to provide a copy of this report to the Department for Education who may share this information internally within the Department for decision making purposes. With the exception of this, no reports may be provided to third parties without our prior consent. Consent is, and will only be, granted on the basis that such reports are not prepared with the interests of anyone other than the academy in mind and that we accept no duty or responsibility to any other party. No responsibilities are accepted by DJH Audit Limited towards any party acting or refraining from action as a result of this report.

We would like to express our thanks to all members of the academy trust's staff who assisted us in carrying out our work.



2. Statutory audit communication

2.1 Objectivity and independence

We conducted our audit in accordance with the Code of Ethics of the Institute of Chartered Accountants in England & Wales and the Ethical Standards published by the United Kingdom Auditing Practices Board. We have considered our independence and objectivity in respect to the audit for the year ended 31 August 2025.

In addition to auditing the financial statements we also provided, through other individuals, the following services to The Hamblin Education Trust for the year ended 31 August 2025:

- Preparation of the statutory financial statements.
- Audit of the EOYC return.
- Preparation of the Annual Accounts Return.
- Payroll services.



We have outlined below the safeguards that we have put in place to ensure that these services provided in 2024/25 do not cause any breaches in our independence and objectivity in relation to the audit.

Non audit services provided	Safeguards put in place to reduce the threat to our integrity, independence and objectivity
Preparation of the statutory financial statements	Internally the accounts are reviewed by a separate individual from those who have prepared the financial statements. The accounts are reviewed in full by those charged by governance of the academy trust to ensure they comply with ESFA guidance. Any accounting judgements required are made by the audit client.
Preparation of the Annual Accounts Return	The return is prepared from data in the statutory financial statements and as such is covered by those safeguards above.
Audit of the EOYC return	This service is provided by a separate individual from those who have audited the financial statements.
Payroll services	This service is provided by wholly separate team.

The following fees have been charged for our audit services:

- Audit of financial statements inc audit of the EOYC - £14,885 + VAT
- Annual accounts return - £1,840 + VAT
- Other services - £4,800 + VAT

To maintain our independence as auditors we can also confirm that:

- DJH Audit Limited, its directors and the audit team have no family, financial, employment, investment or business relationship with the company; and
- Audit and non-audit fees paid by the company do not represent a significant proportion of total fee income for either the firm or office.

We confirm that, in our professional judgement, the firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement director and audit staff is not impaired.

Legal and regulatory requirements

In undertaking our audit work we considered compliance with the following legal and regulatory requirements, where relevant:

- Companies Act 2006.
- Charities Act 2011.
- Academies Act 2010.
- Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

- Academies Accounts Direction 2024 to 2025.
- Academy Trust Handbook 2024.
- Statement of Recommended Practice, Accounting and Reporting by Charities (FRS 102).
- Applicable accounting standards.

2.2 Audit approach and materiality

Our audit planning has taken account of the issues highlighted through discussions with T Gartside and J Jackson, together with our knowledge and understanding of the academy trust.

We confirm that there were no restrictions on the scope of our audit procedures and we have been able to undertake our work as set out in our planning meeting.

In our planning we have taken account of the results of our risk assessments made in accordance with the guidance set by the ISAs. Our consideration of high-risk areas is documented in full within section 3 of this report.

Based on this rigorous process we have used our professional judgement and formed a materiality level. A matter is material if its omission or misstatement would reasonably influence the economic decisions of a user of the financial statements and the value at which if errors, on their own or in aggregate, were uncorrected would result in a potential qualified audit opinion. The audit materiality of the financial statements as a whole has been set at approximately 2% of total incoming resources.



We have considered this level of materiality based on the draft accounts for the year ended 31 August 2025 and are satisfied that it continues to be appropriate.

Underpinning materiality is a level of triviality, £16,000, at which any error or omission in excess of this value is recorded and reported to management.

In planning and carrying out our work, we applied a materiality level to The Hamblin Education Trust of £322,000 based on 2% of income.

2.3 Accounting policies

In preparing the financial statements of the academy trust, directors/trustees are required under FRS 102 to review the academy trust's accounting policies on an annual basis to ensure they remain appropriate to the academy trust's circumstances and are properly applied.

We have reviewed the accounting policies selected and operated by the academy trust, and are satisfied that they are acceptable.

2.4 Significant findings

There are no significant audit findings that we feel need to be brought to the attention of the trustees.

2.5 Accounting estimates and judgements

The property is recorded in the accounts at valuation. The basis of the valuation is existing use value calculated on a depreciated replacement cost basis.

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives.

The principal annual rates used were as follows:

Leasehold/Freehold land	125 years straight line/ Nil
Leasehold/Freehold buildings	50 years straight line
Leasehold improvements	25 years straight line
Fixtures, fittings & equipment	4 years straight line
Computer equipment	3 years straight line
Motor Vehicles	4 years straight line
Assets under the course of construction	nil until brought into use.

2.6 Funding position at 31 August 2025

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy trust and are restricted to both the day to day running of the academy trust and capital expenditure. The balance carried forward on this fund is £nil.



Restricted fixed asset funds are those funds relating to the long-term assets of the academy trust used in delivering the objectives of the academy trust. The balance carried forward on this fund is £15,502,000. Additional analysis of this fund by nature has been provided to comply with the Academies Accounts Direction.

Unrestricted funds are funds to which the governing body may use in the pursuance of the academy trust's objectives and are expendable at the discretion of the trustees. The balance carried forward on this fund is £627,000.

Individually, the general reserves carried forward excluding pension deficits and fixed assets in North Cestrian School, Altrincham Grammar School and Central Services are £262,000 deficit, £1,052,000 surplus and £163,000 deficit respectively.

2.7 Significant difficulties encountered during the audit

We did not encounter any significant difficulties during the audit.

2.8 Accounting and financial control systems

During our audit we examined the design and implementation of the internal controls relevant to the accounting systems and procedures.

The review of internal controls was carried out with a view to expressing an opinion on the financial statements for the year and was not directed primarily towards discovering weaknesses or towards the detection of fraud.

Therefore, our comments on these systems include only those matters that have come to our attention as a result of our normal audit procedures, and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made. Please refer to section 4 of this report.

2.9 Management representations

We include a copy of the draft management representation letter. There are certain specific representations which we are required by auditing standards to obtain from management as part of our audit procedures. In addition, we are required to obtain other representations on matters material to the financial statements where other sufficient appropriate audit evidence cannot be reasonably expected to exist.

2.10 Audit opinion

Based upon the findings and conclusions of our work, we expect to issue an unqualified audit opinion on the financial statements.



3. Audit Risks

3.1 High risk audit areas

Issue	Audit risk	Risk level	Audit procedures undertaken	Conclusion
Revenue recognition	In respect of ensuring that all income received by the academy trust is recognised in the correct period.	Significant	Grant income proof in total test was performed to confirm completeness, accuracy and cut off.	No issues were noted. Revenue is fairly stated with regards to completeness, accuracy and cut off assertions.
Management override	As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud due to management's ability to override controls that would otherwise appear to be operating effectively.	Significant	- Review of unusual manual journals. - Review of accounting estimates such as accruals and provisions and consider any pressures on management to achieve expected results.	No evidence of management override was found during our audit procedures.
Going concern	Going concern is a key risk given the current economic climate and pressures on government spending.	Moderate	- We reviewed forecasts to confirm reasonability and achievability. - We reviewed the academy's key performance indicators to identify any going concern risk factors. - We reviewed whether there are any plans that may indicate uncertainties related to the academy's concern.	No issues were noted. We concur with management's assessment that the multi-academy trust is a going concern.



3.1 High risk audit areas (Continued)

Issue	Audit risk	Risk level	Audit procedures undertaken	Conclusion
Valuation of retirement benefit obligations	Valuation of defined benefit pension is complex and it involves significant assumptions and judgements. There is risk that the defined benefit obligations are incorrectly valued due to complexity and subjectivity involved.	Moderate	- We reviewed the management expert's competences and capabilities. - We reviewed the accuracy of information provided to the management expert by comparing it with corresponding payroll reports. - We assessed the accuracy of the disclosures and accounting entries made by management by comparing them with the actuarial valuation report.	Pension valuation and disclosures in the accounts appear reasonable in line with the valuation received and the Academies Accounts Direction requirements. The pension asset has been capped at £nil in line with applicable accounting standards.
Valuation of tangible fixed assets	Inherent risk has been assessed as high due to size of the balance. Where material capital projects are on-going, there is risk that that these costs are not correctly capitalised and recognised as assets under construction. There is also risk that impairment losses are not recognised where impairment indicators arise, such as going concern issues.	Moderate	- We reviewed capitalised costs to confirm they have been correctly classified. - We reviewed fixed assets for any impairment indicators. - We recalculated depreciation charge for the year as per the academy's accounting policy to confirm its accuracy. - We reviewed the academy's accounting policy to confirm that it is reasonable.	No issues were noted. Fixed assets are fairly stated with regards to existence, valuation and classification assertions.



3. High risk audit areas (Continued)

Issue	Audit risk	Risk level	Audit procedures undertaken	Conclusion
Accounting estimates	In accordance with ISA 540, accounting estimates are considered to be a higher risk area of the audit as it is through estimation and judgement that management could attempt to manipulate the financial statements.	Significant	- We agreed accruals and prepayments to supporting invoices. - We performed analytical reviews to assess reasonability of accruals and prepayments. - We recalculated depreciation charge based on the academy trust's policy.	No issues were noted.

3.2 Other areas of focus

Fund accounting

The financial statements include a number of restricted and unrestricted funds and the audit risk is that income and expenditure is not correctly allocated to the correct fund. We reviewed the nature and purpose of each fund in line with supporting documentation and tested a sample of transactions to ensure that they are allocated to the correct fund. No issues were noted.

Disclosures in the financial statements

A number of disclosures included in the statutory financial statements are not derived from the academy trust's financial reporting system, for example related party transactions. We assessed the accuracy and completeness of the related party disclosures in the financial statements informed by a review of declaration of interest forms and controls and searches at Companies House. No issues were noted.

Related party transactions

Transactions with related parties may not be in line with the latest Academy Trust Handbook. We reviewed all related party transactions, obtained copies of statements of assurance and confirmed declaration to the DfE. No issues were noted.



4. Report of significant weaknesses in systems and internal controls

4.1 Introduction

We set out below the significant matters we became aware of during our audit, which relate to the effectiveness of the company's accounting and financial control systems. We have used the following grading system to indicate the significance of the issues we have raised and the priority that we believe should be given to our recommendations.

Rating	Description
High	Should be urgently attended to by the directors and management. These are significant issues that may result in a qualification in the audit report in future periods if not satisfactorily addressed.
Moderate	Issues requiring the attention of the directors and management. Issues ranked as moderate require close monitoring by the board and senior management to ensure timely resolution.
Low	Issues requiring management attention and correction. Issues ranked as low are generally routine in nature and should be resolved by general management. The board and senior management should be aware of these issues to enable monitoring of progress with their resolution. These issues may be reported to management in less detail than more highly rated issues.



	Audit finding	Potential effect	Priority	Recommendation	Responsible Owner	Implementation Date
1	Signed declaration forms for some senior leadership team were not received. Senior leadership team were also not included on the register of interests as required by the Academy Trust Handbook.	Non-compliance with the requirements of the Academy Trust Handbook 2024. Risk of unidentified related parties and irregular expenditure arising.		Management should ensure that declaration forms are completed on time and filed with the trust. The register of interests should be updated as soon as possible.	Senior Leadership Team Chief Financial Officer	December 2025
2	The academy trust website was not updated for the trustees that resigned during the year.	Non-compliance with the requirements of the Academy Trust Handbook.		Management should ensure that the trust website, Companies House and Get Information About Schools are updated within the required 14 days for any new or outgoing trustees.	Chief Financial Officer	December 2025



5. Status of audit recommendations from previous year

During the course of the audit we revisited the audit recommendations from the previous year's audit management letter and set out below the status of these recommendations.

Observations in 2024	Update in 2025
The dear accounting officer letters were not minuted in the trust board meeting minutes as being shared and discussed by trustees as required by the Academy Trust Handbook.	Resolved.
The whistleblowing policy is not published on the trust website or the website for North Cestrian School.	Resolved.
It was noted during testing that 2 out of 4 (50%) new starter checklists did not have authorisation.	Resolved.
3 Trustees were found to have missing pecuniary interests on their declaration forms compared to the website's register of interests.	Ongoing. There were inconsistencies between declaration of interest forms, the register of interests and pecuniary interests per companies house for 5 Trustees noted during the audit.
During the purchase invoice testing, it was noted that 2 out of a sample of 30 (6%) did not have a purchase order raised and 1 invoice out of a sample of 30 (3%) was entered onto the finance system with a different date.	Resolved.
Only two written quotations had been obtained for a capital project where the trust's finance manual requires 3.	Resolved.

6. Regularity

There were no regularity, propriety and compliance matters that we became aware of during our audit, which relate to the responsibility to ensure that public money is spent for the purpose intended by Parliament (regularity) and a responsibility to ensure that appropriate standards of conduct, behaviour and corporate governance are maintained when applying the funds under the academy's control (propriety).



Appendix

Reconciliation of audited surplus/deficit

The surplus/(deficit) per the financial statements has been derived as follows:

Statement of Financial Activities		Balance sheet		Effect on surplus/(deficit) for the year
£	£	£	£	£
Surplus/(Deficit) per draft trial balance				102,369

1. Capitalisation of assets

Dr	Building improvements	101,571		
Dr	Computer equipment	113,397		
Dr	Fixtures & fittings	88,838		
Cr	Land and buildings cost b/f		35,467	
Cr	Expansion Project Capital	268,339		
To recognise assets purchased in the year.				268,339

2. Depreciation adjustment

Dr	Depreciation expense	653,829		
Cr	Depreciation charge		653,829	
To recognise the depreciation charge for the year				(653,829)



Statement of Financial Activities		Balance sheet		Effect on surplus/(deficit) for the year
£	£	£	£	£

3. Accrued pupil premium adjustment

Dr	Accrued income		21,891	
Cr	Pupil premium income	21,891		
	<i>To recognise additional pupil premium to accrue</i>			21,891

4. Opening balances differences adjustment

Dr	Other support costs	8,000		
Cr	GAG fund		8,000	
	<i>Being to correct funds brought forward</i>			(8,000)

5. Rates relief adjustment

Dr	Rates expense	33,064		
Dr	Deferred income		33,064	
Cr	Prepayments			33,064
Cr	Notional rates income	33,064		
	<i>Being notional rates income and expense for April 2025- August 2025</i>			-



	Statement of Financial Activities		Balance sheet		Effect on surplus/(deficit) for the year
	£	£	£	£	£

6. LGPS pension adjustments

Dr Pension adjustments	184,000				
Dr Pension reserve			184,000		
Being net adjustments on the LGPS					184,000

Roundings

1,000

Actual Surplus/(Deficit) per Financial Statements

(85,231)

There are uncorrected misstatements totalling £17,947 as set out below:

	Statement of Financial Activities		Balance sheet		Effect on surplus/(deficit) for the year
	£	£	£	£	£
Dr Debtors			14,617		
Cr Creditors				14,617	
Being negative Trade Creditor balances					-
Dr Repairs and maintenance	17,947				
Cr Government loans > 1 year				17,947	
Being to correct the year end loan balance					(17,947)
Total effect of unadjusted errors					(17,947)



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11th December 2025

Dear Sir,

We hereby acknowledge receipt of the Report and Financial Statements, the Report to the Trustees and the Summary of Audit Findings for the financial year ending 31st August 2025.

The Board of Trustees and I have studied the reports and note the Audit Findings Report recommendations. The findings were discussed by the Directors of the Hamblin Education Trust.

We note that two low risks have been highlighted in the Audit Findings Report for the year 2024.2025 regarding declarations of pecuniary interest specifically for SLT members of staff. We continue to do a full review of all interests annually to ensure compliance and will look to ensure all SLT are aware of and complete the necessary documentation.

In addition, we will also undertake a review of the website compliance for the Hamblin Education Trust and ensure all Trustee's who have resigned in year are removed from the relevant website pages.

We continue to review our financial procedures manual regularly to ensure that it captures the necessary controls needed and look to our internal audit providers to test adherence to the processes. All points raised will be shared with our internal auditors to monitor and recommend any updates to procedure as necessary.

Yours sincerely



T. J. Gartside
Accounting Officer