Ellacotts

Draft Audit Results Report to the Board of Trustees

Year ended 31 August 2025

Prime
Multi Academy Trust

Introduction and Disclaimer

We are pleased to present our Audit Results Report to the Board of Trustees.

The Audit Results Report presents the observations arising from the audit that are significant to the responsibility of Those Charged with Governance to oversee the financial reporting process, as required by the International Standard on Auditing (UK) 260.

As auditors we are responsible for performing the audit in accordance with International Standards on Auditing (UK) (ISAs UK). The standards are directed towards forming and expressing an opinion on the financial statements as prepared by management with the oversight of Those Charged with Governance. Our audit does not relieve Management or Those Charged with Governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing an opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as a result of our testing, we identify control weaknesses, we will report these to you. As a result, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in internal control.

This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report has not been prepared for, nor intended for, any other purpose.

We welcome the opportunity to discuss the contents of this report with you and would be grateful if in due course you would advise us what action you propose to take on the recommendations in this report.

Finally, we would like to express our thanks to all of the Trust staff that have assisted us in carrying out our work, in particular Esther Martin.

Leigh Dudley
Partner
For and on behalf of Ellacotts Audit Services Limited

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Status of the Audit

We undertook the 2025 audit according to the scope set out in our audit planning letter.

We confirm that we have complied with the Ethical Standard for Auditors and all threats to our independence and objectivity, as identified to you in our planning communication letter, have been properly addressed through appropriate safeguards

- Self-Review threat – a separate review of the statutory accounts for the Academy will be performed by an individual that is not involved in the audit.
- Management threat – We've ensured that all potential audit adjustments were discussed with management and formally agreed upon prior to those being processed in the statutory accounts

We confirm that we are independent and able to express an objective opinion on the financial statements.

Our audit procedures are substantially complete with the exception of:

- Separate review of the statutory accounts for the Academy by an individual that is not involved in the audit (Manager and Partner review completed)
- Subsequent events procedures
- Receipt of the signed letters of representation

We also conducted our regularity assurance engagement in accordance with the Academies Accounts Direction 2024 to 2025 issued by ESFA. We performed a limited assurance engagement as set out in our engagement letter.

We anticipate issuing an unqualified audit opinion on the financial statements and an unmodified regulatory report.

This section is divided into:

- Reporting on our findings in response to work performed on the significant risk areas that we communicated as areas of focus in our audit planning letter.
- Additional audit and accounting issues that have come to our attention during the year-end audit.

2.1. Matters communicated in our audit planning letter

As part of the audit planning letter we outlined four key areas of audit focus. The following table details these risk areas, our audit response, and a summary of our findings:

2.1.1. Management override

Key Risk	Audit Response	Conclusions
The risk that management could unduly influence the financial statements.	We conducted a review of accounting estimates and judgements made by management, discussing these with accounting and finance staff where appropriate. We performed a review of journals processed during the year and selected a sample for more detailed testing, concentrating on any of an unusual nature. These were discussed with the accounting and finance staff as appropriate and checked to supporting documentation where necessary.	Our testing did not indicate any instances of management override of controls.

2.1.2. Income recognition

Key Risk	Audit Response	Conclusions
The risk that income is not recognised correctly in the financial statements.	We performed the following procedures on income recognition: ▪ **Review of Accounting Policy** Reviewed the income recognition policy as to be stated in the financial statements for adherence to accounting standards. ▪ **Review all ESFA and LA income** Reviewed all income received from the ESFA and LA to ensure it has been recorded correctly and in the right period. ▪ **Review a sample of other income** Reviewed a sample of other income received by the academy to ensure it has been recorded correctly and in the right period.	Our test did not indicate any instances of materially incorrect revenue recognition.

2.1.3. Cut-off of Incoming Resources and Resources Expended

Key Risk	Audit Response	Conclusions
The risk that cut-off has not been accurately applied to incoming and outgoing resources resulting in income and cost not reflected in the correct period.	We performed the following procedures on income and expenditure cut-off: ▪ **After date invoice review** Reviewed after date purchase invoices to ensure there were no additional liabilities that needed to be recognised. ▪ **After date cash review** Reviewed after date bank statements to ensure there were no additional assets or liabilities that needed to be recognised. ▪ **Reconciliation of ESFA and LA Income** As above, all ESFA and LA income was reconciled in full to supporting documentation.	Our testing did not indicate any instances of materially incorrect income or expenditure cut-off.

2.1.4. Accuracy of the LGPS Deficit Valuation and Disclosure		
Key Risk	**Audit Response**	**Conclusions**
The risk that the defined benefit scheme operated in respect of non-teaching staff is not accurately valued and adequately disclosed.	We conducted a review of the professional actuarial valuation and scrutinised the assumptions used. Additionally, we compared the assumptions used to other academies professional actuarial valuations to ensure they are reasonable.	Our review did not indicate that the defined benefit scheme is not accurately valued or adequately disclosed.

2.2. Matters arising subsequent to our audit planning letter

2.2.1. Level of Funds	
Analysis of Issue	**Conclusions**
The Trustees are required to consider whether the Trust is a "going concern" and can reasonably be expected to continue in operation for a period of at least 12 months from the date of signing the financial statements. In order to make this assessment the Trustees must consider all available information. Our role is to review the Trustees' assessment of the appropriateness of the going concern basis, taking in to account the charity's budget for the coming 12 months, its future plans and its resources available including its level of funds.	As at 31 August 2025, the Trust's total funds amounted to £6,373,599 compared with £6,461,797 at 31 August 2024. This included £431,901 (2024 - £435,408) of unrestricted funds, £119,008 (2024 - £109,916) of restricted general funds, £5,822,690 (2024 - £5,916,473) of restricted fixed asset funds and pensions reserves, £Nil (2024 - £Nil). The Trustees have formed the opinion that the financial statements should be prepared on the going concern basis and from our work undertaken we consider that this is appropriate.

3. Recommendations to Management

- None

4. Summary of Audit Differences

4.1 Adjusted Misstatements

Narrative	Statement of Financial Activities		Balance Sheet		Surplus/(Deficit) effect (£)
	Debit (£)	Credit (£)	Debit (£)	Credit (£)	
Pensions – Employer service cost	192,000				
Expected return on scheme assets		134,000			
Interest on pension liabilities	126,000				
Actuarial gain – scheme assets		39,000			
Actuarial gain – scheme liabilities	209,000				
Employer's contribution – offset payments		204,000			
Balance b/fwd – liability				2,408,000	
Current service cost				192,000	
Interest on scheme liabilities				126,000	
Actuarial gains and losses – liabilities			536,000		
Benefits paid				32,000	
Contribution by employees				61,000	
Balance b/fwd – asset			2,558,000		
Return on unrestricted scheme asset			134,000		
Actuarial gains and losses – assets			39,000		
Contributions by employer			204,000		
Benefits paid			32,000		
Contribution by employees			61,000		
Administration expenses charged to asset				745,000	
Being LGPS Pension Journal – Total					£150,000

4.2 Unadjusted Misstatements

- None

Ellacotts Appendix A - Communication to those charged with Governance

Our Communication Plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the trust's accounting and financial reporting practices, significant matters and issue arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Ellacotts, together with fees charged. Details of safeguards applied to threats to independence.	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification of suspicion of fraud involving management and/or which results in material misstatement of the financial statements		✓
Non-compliance with laws and regulations		✓
Expected modifications to the auditor's report or emphasis of matter		✓
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern	✓	✓

Matters to Report

International Standard on Auditing (ISA) (UK) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here. At the current time, we have no such matters to report other than those detailed in this report.

Distribution of this Audit Results Report

We seek to ensure our Audit Results are distributed to those individuals charged with governance. We would be grateful therefore if you could distribute a copy of this report to all Those Charged with Governance.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards 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.

Ellacotts

Banbury
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
T: +44(0) 1295 250401

Birmingham
104 Cornwall Buildings
45 Newhall Street
Birmingham
B3 3QR

T: +44(0) 121 2894455

Kettering
Vantage House 2700
Kettering Parkway
Kettering Venture Park
Northamptonshire
NN15 6XR
T: +44(0)1536 646000

London
Suite 100
99 Bishopsgate
London
EC2M 3XD

T: +44(0)20 36937315

Stratford-upon-Avon
Elizabeth Court
Church Street
Stratford-upon-Avon
CV37 6HX

T: +44(0) 1789 713555

www.ellacotts.co.uk