Bishop Fleming

Audit · Accountancy · Tax · Advisory

Key Issues for Discussion Document

Christ Church C of E Primary School ("The Trust")

For the Year Year ended 31/08/2025



Our Ref: BSCH7630/MK

Your Ref:

Date: 10 November 2025

PRIVATE & CONFIDENTIAL

The Board of Trustees
Christ Church C of E Primary School
Royal Park
Bristol
BS8 3AW

Dear Trustees

Christ Church C of E Primary School – Key Issues for Discussion Document

We are pleased to attach our Key Issues for Discussion Document. This report, which is designed to be the basis of discussion when we meet, summarises our audit conclusions, highlights the key findings arising from our work and details a number of points that we would like to discuss further with you.

The Key Issues for Discussion Document ("KIDD") has been prepared for the benefit of discussion between Bishop Fleming and Christ Church C of E Primary School (the Trust).

The purpose of the KIDD is to highlight the key issues affecting the audit of the Trust and the preparation of its financial statements for the Year ended 31/08/2025.

The document is also used to report to management our mandatory requirements as set out in International Standard on Auditing (UK & Ireland) 260 (ISA 260).

We have initially discussed the contents of our report with management and have incorporated their comments where relevant.

This report is intended to be solely for the information and use of the Trustees and those charged with governance of the Trust and should not be shared with anyone beyond this Trust without our prior approval.

Finally we would like to take this opportunity to thank your staff for the co-operation we have received throughout our audit. If there are any further matters which you wish to discuss concerning our audit, please do not hesitate to contact us.

Yours faithfully

Bishop Fleming Audit Limited

BISHOP FLEMING AUDIT LIMITED

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1. Executive summary

Audit and Regularity reports

Our audit work was carried out in accordance with our audit plan in response to the perceived audit risks, and no matters were identified which required us to change our approach and no additional risks were identified.

Our audit iscomplete.

We anticipate issuing an **unmodified audit report** on the financial statements of Christ Church C of E Primary School for the Year ended 31/08/2025 subject to the successful conclusion of matters within this report and to receiving all outstanding information set out previously.

We have summarised our findings and conclusions in relation to the significant risks in section 2 of this report.

We conducted our regularity assurance engagement in accordance with the terms set out by the DfE. We performed a limited assurance engagement as defined in our engagement letter. We propose to issue an **unmodified regularity assurance report** for the period.

Representation Letter

A draft representation letter has been separately provided to you. There are no non-standard representations included in the letter.

Unadjusted items

We do not deem the total of the unadjusted items to be material to the financial statements. Within our letter of representation, we request you confirm that the effects of not recording such misstatements identified in the financial statements are, both individually and in the aggregate, immaterial to the financial statements of the Trust as a whole.

Audit adjustments

During the course of our audit, we have identified adjustments which have been processed in the financial statements, on the agreement of management. These are attached to the letter of representation.

Review of Accounting Policies

We have reviewed the accounting policies adopted by the Trust and have found them to be appropriate and applied consistently.

Management Letter Points

The table below summarises the management letter points identified, further details of which are included in section 4 of this report.

Risk Rating	2025 Regularity	2025 Financial	2024 Regularity	2024 Financial
	0	0	0	0
	0	0	0	0
	1	0	1	0
	0	0	0	0

Statutory information

Additional statutory information in respect of our carrying out the audit and regularity assurance engagements has been included in section 5 of this report.

2. Significant audit risk findings

1 Significant risk: Management override of controls

Summary

We are required by auditing standards (ISA 240) to consider fraud and management override of controls to be a significant risk for all audits as no matter how strong a control environment, there is the potential for controls to be overridden or bypassed.

Work done and conclusion

To address this risk, we have considered:

- Reviewed the reasonableness of accounting estimates such as useful economic lives of assets;
- Tested journals with a material impact on the results for the year;
- Considered a sample of other journals with key risk attributes.

We have not identified any material errors from our work.

2 Significant risk: Fraud in income recognition

Summary

There is also a presumption under auditing standards that the risk of fraud in revenue recognition is considered to be a significant risk area.

Work done and conclusion

To address this risk, we have:

- Documented and validated the control environment for income and debtors using walkthrough testing;
- Performed substantive procedures over income to address this risk;
- Considered income journals as part of our work on fraud risks documented above.

We have not identified any material errors from our work.

3. Regularity and other reporting matters

1 Regularity risk: Regularity risks identified at planning	
Risk As directed by the DfE and included in our audit plan we consider particular areas of regularity compliance as heightened risks within our assurance report as follows: 1. Risk of unauthorised activities or expenditure being incurred 2. Risk of related party transactions occurring and not being detected 3. Risk of unauthorised borrowings and leases being in place	**Work done and conclusion** Throughout the audit, consideration has been given to any transactions reviewed or identified. This includes transactions discussed at board level, or as selected in our detailed expenditure testing. We have reviewed the register of interests, declarations forms, board minutes and enquired with management. This has also been considered in connection with our detailed expenditure testing. We have reviewed the bank confirmation letter for any bank borrowings, reviewed the balance sheet for any other borrowings, and reviewed the processes for new leases in the year to ensure correct consideration was given as to whether it was a finance lease or not before entering into it. We have not identified any material errors from our work.

2 Other reporting matter
FRS 102 LGPS pension valuation

The Trust has received its FRS102 pension valuations from the actuary.

The Trust has opted to use the standard assumptions offered by the actuary in the valuations provided.

Schemes in a deficit should recognise the position in full. Schemes in a surplus position do not recognise the pension asset unless it is considered recoverable in full or in part.

For the Trust this is capped at £nil on the basis that there is no mechanism by which the Trust can realise the asset (for example either by obtaining a refund from the scheme or an immediate reduction in future contributions).

	B/Fwd £'000	Pension expense	Actuarial (gain) / loss	C/Fwd £'000
Local Authority	(191,000)	13,000	178,000	0

Other reporting matter
Going concern

The 2024 financial statements were prepared on a non going concern basis. This was done as at the time of signing it was the intenton of the board to join a multi academy trust and cease operations through the Christ Church company.As this position has changed, and the expectation of the Board is not that the school will continue as a single Trust the accounts are now prepared on a going concern basis.

This is had no impact of the reported numbers, but there has been some amended disclosiures in the Trustees' Report, Audit opinion and Basis of Preparation.

Other reporting matter
Separation between management and trustees

During our audit, we noted that the Chief Executive Officer (CEO) and Assistant Head of the Trust also hold positions as a trustees on the Trust Board. This dual role presents a governance concern and is contrary to best practice guidance for academy trusts. We also note that this has been a long standing position and that the view of the Trust is that this is not problematic. Furthermore, the current articles state that the Head should be a trustee.

The formal guidance on this point is shown below:

The Department for Education (DfE), in its guidance on governance for academy trusts, explicitly advises that members should avoid appointing the CEO (and other staff members) as a trustee. This is to ensure clear lines of accountability and to maintain the distinction between strategic governance and operational management[1].

Furthermore, the Academy Trust Handbook 2024 reinforces the importance of transparency and the avoidance of conflicts of interest. It states that academy trusts must maintain robust governance structures that separate executive and non-executive functions[2].

The Charity Commission guidance (CC11) also highlights the risks associated with trustees being employees, including potential conflicts of interest, reputational damage, and the need for legal authority to make such appointments[3].

Implication:

The CEO's position as a trustee could compromise the independence of the board and may inhibit its ability to hold the executive leadership to account. This structure risks undermining the principles of good governance, transparency, and accountability, and may lead to conflicts of interest in decision-making processes.

Recommendation:

We recommend that the Trust Board considers whether the governance structure of the Board should be amended by:

- **Removing management from the trustee role**, ensuring they remain solely in their executive capacity.
- **Reviewing the Trust's Articles of Association** to ensure alignment with DfE model articles, which discourage employees from serving as trustees.
- **Updating the Register of Interests** and governance documentation to reflect the change and ensure ongoing compliance with the Academy Trust Handbook and Charity Commission guidance.
- **Implementing a formal conflict of interest policy** and training for trustees and senior leaders to reinforce governance standards.

This change will help restore appropriate governance boundaries, strengthen board independence, and align the Trust with sector best practice and regulatory expectations.

4. 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.
Regularity – Observations representing a significant and or repeated breach of the terms of the ATH or "musts" that are identified as "not in place". Such breaches may additionally result in the qualification of the regularity assurance report.



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.
Regularity – Observations that have resulted in non-compliance with the ATH including "musts" where progress is identified as "working towards". These should be addressed to mitigate the risk of a significant failure to comply with ATH terms in the future.



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.
Regularity - Observations that have resulted in minor non-compliance or non-adherence with "shoulds" as defined in the ATH but is unlikely to lead to a more significant breach on its own.



Observations made in the previous year have been resolved.

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.

Your comments
We would be grateful if you would enter your comments against each point under the "management response" header of the management letter point section and return it to us in due course. The management letter section of this KIDD letter will be submitted to the DfE with the Financial Statements.

Current Year Matters - none

Prior Year Matters - Resolved

Gifts	
	Prior Year Rating:
In the prior year, £160 of expenditure of gifts was noted in the review of expenditure. In the current year, £409 of expenditure of gifsts was noted.	**Recommendation** When making gifts, the trust must ensure the value is reasonable, is within its scheme of delegation, the decision is documented, and achieves propriety and regularity in the use of public funds. **Management comment** A gifts policy is pending approval at the finance committee meeting on 12th November 2025.

5. Statutory information

Information included in this section forms an integral part of our report to those charged with governance as required by the ISAs.

Confidentiality

This document is strictly confidential and although it has been made available to those charged with governance to facilitate discussions, it may not be taken as altering our responsibilities to the Trust arising under our audit engagement letter.

This KIDD has been prepared for the sole use of the Board of Trustees, management and others of the Trust. We understand that you are required to provide a copy of the management letter section of this report to the DfE. With the exception of this, no reports may be provided to third parties without our prior written consent. No responsibility is accepted by Bishop Fleming towards any party acting or refraining from action as a result of this report.

Responsibilities of the Trustees

The trustees are responsible for the preparation of the financial statements and for making available to us all the information and explanations we consider necessary.

The matters dealt with in this KIDD came to our attention during the conduct of our normal audit and assurance procedures which are designed primarily for the purpose of expressing our opinion on the financial statements of the Trust and providing a limited assurance conclusion on regularity.

In consequence our work did not encompass a detailed review of all aspects of the systems and controls and cannot be relied upon necessarily to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might reveal.

We would be pleased to discuss any further work in this regard with trustees and/or management.

Audit Materiality

In carrying out our audit work we considered whether the financial statements are free from 'material misstatement'.

Materiality is an expression of the relative significance of a particular matter in the context of the financial statements as a whole. An item will normally be considered material if its omission would reasonably influence the decisions of those using the financial statements.

The assessment of whether a misstatement is material in the context of the financial statements is a matter of professional judgement and will have regard to both the amount and the nature of the misstatement. Thus different materiality levels may be appropriate when considering different aspects of the financial statements.

The assessment of whether a misstatement is material in the context of the regularity assurance report has been evaluated in the same way as the "true and fair" audit of the financial statements, as noted above.

Independence

The FRC Ethical Standard and ISA 260 requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our independence and objectivity. The aim of these communications is to ensure full and fair disclosure by us to those charged with governance on matters in which you have an interest. We are not aware of any relationships that, in our professional judgment, may reasonably be thought to bear on our independence or the objectivity of the audit engagement team.

We confirm that in our professional judgment, Bishop Fleming is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised. We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you consider the facts of which you are aware and come to a view. Should you have any specific matters that you wish to discuss, please contact us.

Details of all the threats and related safeguards relating to non-audit services provided were included in our planning report.

Statutory audit and regularity report

Our work was planned to provide a focused and robust audit, so as to:

- Provide an independent opinion as to whether the financial statements give a true and fair view; and;
- State whether the financial statements have been properly prepared in accordance with the Companies Act 2006 and Academies Accounts Direction 2024 to 2025 (AAD).

Our work was also planned to provide a "limited assurance" report on regularity in accordance with the AAD.

Due to the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with ISAs.

When planning our audit work, we sought to minimise the risk of material misstatements occurring in the financial statements. To do this, we considered both the risk inherent in the financial statements themselves and the control environment in which your Trust operates. We then used this assessment to develop an effective approach to the audit.

Based on our knowledge of the Trust, we assessed the risks to the Trust and planned our audit with regard to these risks. The significant risks identified in connection with the audit are summarised later in this report.

Regularity report

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement included examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

Further information

The following links will connect you with our key information and publications. If you require any further support or assistance please contact the team.

Bishop Fleming Education Hub

Academy Knowledge Hub

Benchmarking Report 2025

6. Appendices

The following appendices form a part of our report to the trustees alongside this document as follows:

- Financial performance summary (provided separately)
- Draft letter of representation (provided separately)
- Summary of audit adjustments and unadjusted audit differences (provided separately)

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This document is confidential to: Christ Church C of E Primary School



ICAEW CHARTERED ACCOUNTANTS

KRESTON GLOBAL

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