



ALLIOTT WINGHAM
CHARTERED ACCOUNTANTS

accounts and audit
bookkeeping and VAT
payroll
personal and business taxation
management accounts and advice
business growth and development

The Members
The Curdridge Reading Room and Recreation Ground Charity
The Curdridge Reading Room
Reading Room Lane
Curdridge
Southampton
SO32 2HE

Email address: treasurer@curdridgereadingroom.co.uk

18 June 2024

Our Ref: NR/KL/T2168

Dear Members

Accounts for the year ended 31 December 2023

We attach a copy of the accounts for the year ended 31 December 2023 and if you approve the contents would V Hancock as Chairperson sign the accounts as indicated and return to this office for our records.

Would you please inform us if you would also like a bound copy of the accounts sent to you via post.

Engagement Letters

We attach one copy of our firm's standard engagement letter and if you approve the contents would you please sign and date where indicated and return to our office. If you would like a copy of the engagement letter for your own records, please let us know and which format you require.

Finally, we attach a note of our fees for your kind attention in due course.

Yours sincerely

Alliott Wingham Limited

Alliott Wingham Limited

Enc



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The Curdrige Reading Room and Recreation
Ground Charity
The Curdrige Reading Room
Reading Room Lane
Curdrige
Southampton
SO32 2HE

Invoice No.: 25513

Date: 20 June 2024

Ref: T2168/NR

Professional charges relating to:

Independent review of financial statements for year
ending 31 December 2023

250.00

Sub Total

250.00

Add: VAT @ 20.0%

50.00

£ 300.00

VAT

300

Invoice payable within 14 days of invoice date
If you wish to make the payment through a bank, our details are:
For the credit of Alliott Wingham Limited, HSBC Fareham.
Account No: 52132184 Sort Code No: 40-21-03.
Please quote your account number and invoice number.

VAT Reg. No. 615 0742 65

 All major credit cards accepted.

Alliott Wingham Limited Kintyre House, 70 High Street, Fareham, Hampshire PO16 7BB
Tel: 01329 822 232 Fax: 01329 822 405 E-mail: info@alliottingham.com Web: www.alliottingham.com

Directors N L Rice FCA, FCCA, CTA, MJ Nolan BA (Hons) FCA CTA.



Registered in England number 04717410. Registered Office at the address shown above.
Members of The Institute of Chartered Accountants Registered to carry on audit work in the UK and regulated for a range of
investment business activities by the Institute of Chartered Accountants in England and Wales.

Our Fee Terms and Conditions

Our fees are computed on the basis of time spent on your affairs by the principals and our staff, and any sub-contractors or consultants, and on the levels of skill and responsibility involved. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs.

Invoices are payable in full (including disbursements) before any report or return is signed and the financial statements are made available for filing.

Our terms relating to payment of amounts invoiced (fees and disbursements) are strictly 14 days net. Interest may be charged on all overdue debts at a rate not exceeding 2% per annum over the relevant base rate of HSBC UK plc. Any decision to charge interest will be notified to you in writing.

The directors of a Company will have guaranteed to pay personally any fees (including disbursements) for services provided to the company that the company is unable to pay. This clause shall become effective in the event of a receiver or liquidator being appointed to the company or the company otherwise being wound-up.

Charity Registration Number: 1153056

Curdrige Reading Room and Recreation Ground Charity

Accounts for the year ended

31st December 2023

Alliott Wingham Limited
Kintyre House
70 High Street
Fareham
Hampshire
PO16 7BB

Independent examiner's report to the trustees of the Curdridge Reading Room and Recreation Ground Charity

We report on the accounts of the charity for the year ended 31 December 2023, which are set out on pages 3 to 8.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts for the year ended 31 December 2023. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act,
- To follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act, or
- The accounts did not accord with the accounting records, or
- The accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Alliott Wingham Limited 1-06-2024

Signed:

Alliott Wingham Limited
Kintyre House
70 High Street
Fareham
PO16 7BB

Curdrige Reading Room and Recreation Ground Charity
Accounts for the Year 1st January to 31st December 2023

Income and Expenditure	For the Year 1st January to 31st December 2023			For the Year 1st January to 31st December 2022		
	Income	Expenses	Net	Income (£)	Expenses (£)	Net (£)
Revenue						
Hall hire Income and grant	£27,714.59	£0.00	£27,714.59	£25,308.07	£0.00	£25,308.07
Bank interest	£72.49	£0.00	£72.49	£31.99	£0.00	£31.99
Caretaker Services	£0.00	£13,858.09	-£13,858.09	£0.00	£16,335.02	-£16,335.02
House cleaning	£0.00	£8,770.16	-£8,770.16	£0.00	£7,242.90	-£7,242.90
House maintenance	£7,212.00	£7,142.46	£69.54	£0.00	£3,931.42	-£3,931.42
Ground maintenance	£0.00	£1,064.00	-£1,064.00	£0.00	£2,441.55	-£2,441.55
Ground cleaning	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
PAYE	£0.00	£3,373.86	-£3,373.86	£0.00	3,766.62	-£3,766.62
Insurance	£0.00	£2,370.84	-£2,370.84	£0.00	£2,167.35	-£2,167.35
Gas	£0.00	£6,528.13	-£6,528.13	£0.00	£3,413.62	-£3,413.62
Telephone, Wifi,Broadband	£0.00	£1,574.16	-£1,574.16	£0.00	£1,202.70	-£1,202.70
Water	£0.00	£417.78	-£417.78	£0.00	£579.00	-£579.00
Electric	£0.00	£6,859.60	-£6,859.60	£0.00	£2,763.47	-£2,763.47
Council tax and Licences	£0.00	£370.21	-£370.21	£0.00	£491.00	-£491.00
PRS&PPL Licences	£0.00	£429.49	-£429.49	£0.00	£680.41	-£680.41
Marketing & Website Maintenance	£0.00	£1,080.96	-£1,080.96	£0.00	£675.06	-£675.06
Recycling bin	£1,012.69	£0.00	£1,012.69	£878.20	£0.00	£878.20
Administration	£0.00	£2,520.91	-£2,520.91	£0.00	£2,082.30	-£2,082.30
Bank Charges	£0.00	£60.00	-£60.00	£0.00	£81.00	-£81.00
	£36,011.77	£56,420.65	-£20,408.88	£26,218.26	£47,853.42	£21,635.16
Capital						
Donations & Grants	£353.39	£0.00	£353.39	£0.00	£0.00	£0.00
Easter Egg Hunt	£331.14	£191.34	£139.80	£0.00	£0.00	£0.00
Preloved sales (2)	£1,572.87	£188.94	£1,383.93	£0.00	£0.00	£0.00
Village Fete and Craft Fayre	£8,164.37	£4,889.20	£3,275.17	£50,376.08	£39,263.33	£11,112.75
Rave at the Rec	£2,233.87	£817.20	£1,416.67	£0.00	£0.00	£0.00
Beer Festival & Family Fun Day	£7,021.94	£3,763.44	£3,258.50	£3,936.47	£3,190.89	£745.58
Charity Clothes Swap	£305.54	£0.00	£305.54	£0.00	£0.00	£0.00
Halloween Hunt	£877.88	£624.76	£253.12	£0.00	£0.00	£0.00
table Top Sale	£159.83	£0.00	£159.83	£0.00	£0.00	£0.00
Christmas Party	£2,339.85	£741.62	£1,598.23	£0.00	£0.00	£0.00
Coronation Picnic	£202.25	£37.84	£164.41	£0.00	£0.00	£0.00
Total Capital items	£23,562.93	£11,254.34	£12,308.59	£54,312.55	£42,454.22	£11,858.33
Total Movement of Funds	£59,574.70	£67,674.99	-£8,100.29	£80,530.81	£90,307.64	-£9,776.83

	Balance Sheet as at 31st December 2023			Balance Sheet as at 31st December 2022		
	Revenue Reserve	Capital Reserve	Total Reserves	Revenue Reserve	Capital Reserve	Total Reserves
Analysis of Funds						
Opening Balance	£20,066.68	£37,916.45	£57,983.13	£20,001.84	£47,758.12	£67,759.96
Movement of Funds this period	-£20,408.88	£12,308.59	-£8,100.29	-£21,635.16	£11,858.33	-£9,776.83
Transfer of Funds to cover deficit	£21,000.00	-£21,000.00	£0.00	£21,700.00	-£21,700.00	£0.00
Funds as at 31st December 2023	£20,657.80	£29,225.04	£49,882.84	£20,066.68	£37,916.45	£57,983.13
Statement of Assets and Liabilities						
Current Assets - cash						
CAF Gold Account	£0.00	£3,912.70	£3,912.70	£0.00	£9,623.96	£9,623.96
CAF Cash Account	£500.00	£0.00	£500.00	£500.00	£0.00	£500.00
Virgin Account	£21,617.80	£21,331.97	£42,949.77	£20,366.68	£25,583.09	£45,949.77
Lloyds Account	£0.00	£3,520.37	£3,520.37	£0.00	£2,709.40	£2,709.40
Petty Cash	£0.00	£0.00	£0.00	£50.00	£0.00	£50.00
Total cash	£22,117.80	£28,765.04	£50,882.84	£20,916.68	£37,916.45	£58,833.13
Current Assets-Other						
None	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Current Liabilities						
Deposits held	-£1,000.00	£0.00	-£1,000.00	-£850.00	£0.00	-£850.00
Net Current Assets	£21,117.80	£28,765.04	£49,882.84	£20,066.68	£37,916.45	£57,983.13
Fixed Assets						
Buildings and contents			£570,000.00			£570,000
Skinner Field			£31,000.00			£31,000
Total Fixed Assets			£601,000.00			£601,000.00

Curdridge Reading Room and Recreation Ground Charity

Trustees Report for the Year 1st January to 31st December 2023

Charity Registration Number: 1153056

Principle Address: The Curdridge Reading Room, Reading Room Lane, Curdridge, Southampton, SO32 2HE

Telephone: 07704 208703

Website: www.curdridgereadingroom.co.uk

Email: curdridgereadingroom@gmail.com

Charity Trustees:

Vanessa Hancock Chairperson

Harriet Brocklehurst

Larry Burden

Bill Priest

Chloe Burden

Matt Doyle Resigned 5th February 2024

Simon Keeble Resigned 2nd October 2023

Miles Willshire Resigned 21st September 2023

Structure, Governance and Management:

The Charity was formed as a Charitable Incorporated Organisation (CIO) and took over all the assets and liabilities of the Curdridge Reading Room Charity (Registration Number 203472) on 1st August 2013.

The Governing Documents of the Charity are published on the website www.curdridgereadingroom.co.uk and an individual may apply to the address or telephone number given above for a paper copy.

The Charity will have a minimum of four and a maximum of eight Trustees.

A rotation basis is adopted as detailed in the Governing Document in order that each Trustee position will be the subject of an election at least every three years. At the AGM none of the Trustees will be standing down and seeking re-election.

The Charity maintains a Register of Members and all members of the community are actively encouraged to become Members. There is no charge for membership and as at 31st December 2023 the register shows that there were 29 members.

The Objectives and Activities of the Charity:

The full description of the Objectives of the Charity are contained in the Governing Document but can be summarised as:

Providing facilities for recreation and leisure time activities for members of the community who need them by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public in the interests of social welfare; and with the aim of improving the condition of life of the inhabitants in the Area of Benefit.

The facilities comprise of:

- ☐ The Reading Room building which is available for hire in part or fully
- ☐ The main recreation ground which includes facilities specifically for the playing of cricket but is available for other sports and recreation as well
- ☐ A children's playground
- ☐ An open area commonly known as The Skinner Field

The Trustees deliver the public benefit of the Objectives stated above by managing the facilities in a way that ensures all members of the community have an equal and fair opportunity to use them in the way they choose, this includes:

- ☐ Maintaining the facilities including the buildings and the grounds with a particular regard to Health and Safety
- ☐ Operating a booking system and maintaining a fair charging policy
- ☐ Publishing all relevant information on the website, on the notice board, in regular features in the local Parish Magazine and by using social media such as Facebook and Twitter
- ☐ Holding all Trustee meetings in public with an open session at the beginning for visitors to raise any issue
- ☐ Working closely with the Parish Council to obtain available funding and ensuring that activities and facilities provided are in line with local needs
- ☐ Working tirelessly to achieve compliance with all the requirements of the various laws and guidance that apply to the Charity

As reported in previous years, the Charity faces an enormous challenge because the building is showing signs of structural instability and is in need of significant repair and renovation. A part of the current building was erected in 1884 and various additions have been made over the years.

No progress has been made towards the potential replacement of the building for a number of reasons:

1. There has been no interest from third parties in this option;
2. The team of Trustees is new and there has been a period of settling in, changing Trustees as individuals resigned and new Trustees were co-opted in – all of which has been through a particularly challenging time financially for the Charity;
3. The Trustees feel that this is not currently a viable option and that the focus should be on increasing hire income and undertaking a schedule of maintenance and repairs to keep the facilities going as long as possible with the ultimate aim of securing the longevity of the resources and, in turn, the Charity.

Note from the Chair

It has been an interesting few months since my appointment as Chair at the June 2023 AGM. The Charity is clearly financially vulnerable due to hire income not covering operating costs and, with aging facilities this is putting the future of the Reading Room & Recreation Ground in a precarious position.

Working alongside a largely new team of Trustees, the learning curve has been (and continues to be) steep. Some changes have been implemented and more are planned that I hope will help to secure the longevity of the facility and the Charity.

The biggest realisation is that the Trustees cannot do this alone. We need the support of the community to survive and this has been the focus of the last few months – getting this message into the public domain and raising awareness of the challenges faced. It seems as though this message is being received, although there is still work to do to raise awareness.

I would like to take this opportunity to thank the team of volunteers who work alongside me as Trustees for their support and contribution to the management of the facilities and, in particular to Larry Burden and Chris Pink for all of their hard work last year, repairing and maintaining the facilities where they have been able to and not to mention, their input into sorting out equipment and supplies for the various fundraising events.

I would also like to thank our staff members who have embraced the changes taking place and who continue to work with the Trustees to try to make the facilities the best they can be with limited resources.

The following information in this report outlines the Charity's financial performance throughout 2023 and the steps being taken to maintain/improve the facilities and increase bookings.

Achievements and Performance

At the last AGM it was reported that most of the regular hirers had returned following the Covid19 Pandemic. Upon reflection, it is more accurate to report that a considerable proportion of the regular hirers using the facilities prior to the pandemic did not return, and that this loss of hire continues to have a significant impact on income.

Facility Hire

In 2022, bookings from regular hirers were approximately 778 with a total of 3,096 hire hours. During 2023, this increased slightly to approximately 821 user sessions however, the total hire hours for the year reduced to 3,074.

Ad-Hoc bookings during 2023 have been lower compared to the previous year. In 2022, the facilities had approximately 67 bookings with a total of 267 hire hours. In 2023, this reduced to 40 bookings throughout the year with a total of approximately 234 hire hours.

Occupancy rates for the facilities in 2023 (including regular and ad-hoc hires) were 56% for the main hall, 15% for the Billiard Room and 6% for the Committee Room. These rates remain relatively stable compared to 2022.

Last year saw a new approach to fundraising following the decision in 2022 to no longer run the Curdridge Country Show due to the high financial risk that an event of this scale carries and a lack of volunteers to deliver it effectively and safely. Instead, a number of smaller events were held during the year to raise funds for the charity. This included an Easter Trail, a table-top sale, the Village Fete & Craft Fayre, Rave at the Rec (an adult disco), the Beer Festival & Family Fun Day, a Preloved Sale and a Christmas Party which was a joint event with the Curdridge School Association (CSA) – the PTA for the local primary school. A local business, The Sustainable Wardrobe, held a Clothes Swap event from which the funds raised were donated to the charity. The fundraising results from these events are outlined later in this report.

Trustee Commitment

The trustees remain committed to delivering the following objectives:

1. Maintaining and improving the building and grounds for the benefit of users and the local community
2. Improving the financial position of the charity by:
 - Retaining and expanding a group of loyal regular users and hirers
 - Increasing the use of the Reading Room for ad hoc bookings
3. Managing the annual fundraising activities
4. Strengthening links with the school and other community groups
5. Supporting our stakeholders (Scouts & Guides and The Curdridge Cricket Club) in their activities at the Recreation Ground
6. Evaluating proposals for the long-term strategic development of the site.

Financial Review

The accounts have been prepared on a receipts and payments basis.

The main source of regular revenue for the Charity is from the hire of the building and grounds – either from ad-hoc or regular hires.

The Charity adopts a Revenue and Capital Reserves Policy.

The hire rates for use of the building will be set annually with the aim of the day to day income and expenditure balancing, having made reasonable provision for ongoing costs of maintenance and repair which may not arise on an annual basis. This balancing continues to be challenged by the effects of the pandemic and the reduction in local businesses and clubs hiring the facilities on a regular basis.

The Charity will hold sufficient Revenue Cash Reserves to maintain security for the day to day operations. In 2022 this was considered to be £20,000 but the figure will be up-rated as necessary with the effects of inflation in the future and any identified needs. No increase in this reserve amount has been identified for 2023.

All fundraising and special activities, donations and grants will be held in the Capital Reserve from which all capital projects will be funded. Any Designated Funds will be held as part of the Capital Reserve but may only be used for their specific purpose. As at 31st December 2022 the only Designated Funds are the balance on the Memorial Bench Scheme.

Should Revenue Reserves fall below the amount considered to be prudent by the Trustees, then Capital Reserves (except Designated Funds) may be used to top them up. The hire rate review each year is used to regulate this for the future so that Capital Reserves are not depleted unnecessarily.

Following market research, the Trustees feel that the current standard hire rates are comparable with the market and as such, the standard hire rates for the facilities will remain unchanged for 2024.

As previously, 2023 continued to be financially challenging due to the fact that hiring activity has not returned to pre-pandemic levels and this meant that it was necessary to use the Capital Reserve to fund the deficit.

Gross Income

This increased by a little over £10K in 2023. This increase is due to a grant for a new boiler and radiators in the main hall, an increase of £2,733 (9.5%) in hall hire income and an increase of a little over 15% in the income from the textile bin.

Costs

These increased by just under 18% in 2023 to £56,400. Some of this cost relates to House Maintenance which increased by just over 80% from £3,931 in 2022 to £7,110 in 2023. This is mostly due to the expenditure on the new heating system and boiler.

Utility costs (Gas & Electric) increased significantly by nearly 117% in 2023. These utility costs reduced slightly in the last quarter as a new contract with lower rates commenced in October 2023. We continue to monitor the utility charges and have put steps in place to reduce the usage due to the lower hire levels throughout the facilities.

A further increase in costs relates to Marketing and Website Maintenance which increased by nearly 89% in 2023 to £1,013. Just over a third of this amount is due to consultant fees being paid since October 2023 to deliver the Charity's new social media strategy and update our website.

Net profit overall saw an improvement on 2022 albeit still making a substantial loss of £20,409 (before fundraising income) compared to a loss of £21,635 in 2022. The income from the 2023 fundraising events reduced this loss to just over £8.1K compared to a loss of nearly £9.8K in 2022.

The Trustees took the following actions to try to address the situation throughout the year:

- The contract for the Grounds Maintenance was not renewed in 2023 to try to keep costs down. Instead, work was carried out when it was needed and grass cutting was kept to a minimum on Skinners Field by only cutting a pathway and leaving the rest of the field to grow as a meadow to increase wildlife and insects;
- A new contract for Gas & Electric commenced in October 2023;
- Hire rates were increased at the 2022 AGM to help increase income;
- Changes were made to the Caretaker Service to reduce costs;
- A pro-active, targeted social media strategy commenced to raise the profile of the Charity, deliver the message about the challenges being faced, promote the facilities and encourage support for the fundraising events.

Moving forward, further steps are being undertaken to help keep costs down and generate income. These include:

- Reviewing costs and removing / reducing non-essential spending where possible;
- Undertaking a promotional campaign to generate bookings for the facilities;
- Holding Community Maintenance Days to carry out some of the essential tasks required to improve the look of the facilities and make them more attractive to hirers;
- Reviewing and updating the Wedding reception Package so that this can be promoted to encourage bookings;
- Exploring partnerships with local businesses who can offer services to enhance private bookings (catering, wedding planners, inflatables, balloon decorations and more);
- Carrying out an extensive exercise to contact local clubs, activities and businesses to promote the hire opportunities that the facilities can offer to recruit new regular hirers.
- Addressing the imbalance between fees for current regular hirers and new regular hirers. Hire rates for current regular hirers have been increased by up to 10% due to the increase in day-to-day running costs. Following the pandemic, discounts were applied to current regular hirers in recognition of the impact of the pandemic on local businesses using the facilities and to entice their return. These will continue to be regularly reviewed with the aim of bringing them more in line with the new approach being used where appropriate;
- A more structured approach to hire rates for future regular hirers based on the standard hire rates has been agreed by the Trustees.

A programme of refurbishment to make the Reading Room a more attractive place to hirers is being developed with quotes being sought from local trades where possible.

Fundraising

2023 saw a different approach to fundraising with a number of smaller scale, lower risk events throughout the year. These events generated just over £11K of funds to support the Charity. The Trustees would like to thank the planning team and all of the volunteers who assisted at these events for their time and hard work.

Further funds were raised from donations & grants, a Charity Clothes Swap run by The Sustainable Wardrobe in aid of the Charity and income from the Coronation Picnic organised by the Curdridge Parish Council.

The Trustees declare that they have approved the above Trustees Report and attached Accounts.

The 2024 AGM will be held on the 18th June 2024.

Signed.....
Vanessa Hancock - Chair of Trustees

Vanessa Hancock

25-06-2024



ALLIOTT WINGHAM
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The Trustees
The Curdridge Reading Room and Recreation Ground Charity
The Curdridge Reading Room
Reading Room Lane
Curdridge
Southampton
SO32 2HE

Our Ref: NR/KL/T2168

20 June 2024

Dear Trustees

We are pleased to continue the appointment as your auditors. The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as auditors and to clarify our respective responsibilities in respect of the audit.

Auditing Standards require us to appoint an engagement partner who shall take overall responsibility for the planning and conduct of the audit, and for the report that is issued on behalf of the firm. We have assessed the professional requirements of this assignment and have nominated Natalie Brown as the Senior Statutory Auditor.

Under the *Companies Act 2006* (CA 2006) the audit report in the signed copy of the financial statements provided to you must be signed by the Senior Statutory Auditor in their own name on behalf of the firm. The audit report in all other copies of the financial statements must state the name of the Senior Statutory Auditor, but may be signed in the name of the firm. The audit report in the financial statements filed at Companies House must state the name of the Senior Statutory Auditor and the name of the firm but does not need to be signed.

We are bound by the ethical guidelines of the Institute of Chartered Accountants in England and Wales and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines.

1 Your responsibilities as trustees

- 1.1 Our audit will be conducted on the basis that you acknowledge and understand that you have responsibility:
- (a) to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. As directors/trustees you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the charitable company;
 - (b) in preparing those financial statements, to:
 - (i) select suitable accounting policies and then apply them consistently;
 - (ii) make judgments and accounting estimates that are reasonable and prudent;
 - and

- (iii) prepare the financial statements on the going concern basis, considering in particular the charitable company's ability to continue in operation for at least twelve months from the date when the financial statements are expected to be approved, unless it is inappropriate to presume that the charitable company will continue in operation;
 - (c) for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the relevant Statement of Recommended Practice, *Accounting and Reporting by Charities* (the SORP), the *Companies Act* 2006 (ChA 2006) and applicable accounting standards. You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error; and
 - (d) for safeguarding the assets of the charitable company and hence for taking reasonable steps to ensure the charitable company's activities are conducted honestly and for the prevention and detection of fraud and other irregularities.
- 1.2 As trustees of the charitable company, you have a duty under CA 2006 to prepare a directors' report for each financial year and also an annual report complying in its form and content with regulations made under the *Charities Act* 2011 (CA 2011). You should also have regard to the relevant SORP published jointly by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator, and any subsequent amendments or variations to this statement. You should follow that statement insofar as compliance with it does not contradict any requirement of CA 2006 by supplementing the requirements of that Act.
- 1.3 In addition to the general duties of directors specified in CA 2006, s. 170–177 you are responsible for ensuring that the charitable company complies with laws and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur.
- 1.4 CA 2006, s. 417 requires the directors/trustees to include in their report a business review containing a fair review of the charitable company's business, and a description of the principal risks and uncertainties facing the charitable company.
- 1.5 You have agreed to provide us with:
 - (a) access to all information of which you are aware that is relevant to the preparation of the financial statements such as the charitable company's books of account and all other relevant records and documentation, including minutes of all board/committee of management/trustees'/governors' meetings and other matters;#
 - (b) additional information that we may request from you for the purpose of the audit, including access to information relevant to disclosures;
 - (c) unrestricted access to persons within the charitable company from whom we determine it necessary to obtain audit evidence; and
 - (d) additional information that may include when applicable, matters related to other information in accordance with ISA (UK) 720. If such information is not expected until after the date of the auditor's report, you should note that we still have a responsibility to take appropriate action if we consider a material misstatement exists in this other information.
- 1.6 You are required to confirm in the directors'/trustees' responsibility statement that:

- (a) an appropriate accounting basis was used to prepare the financial statements; and
- (b) in so far as you are aware, there is no relevant audit information of which we, the company's auditors, are unaware and that you have taken all the steps that you ought to take as directors/trustees in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information.

- 1.7 Where audited information is published on the charitable company's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner.
- 1.8 It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are neither required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance and integrity of the charitable company's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.

Scope of the audit

- 1.9 In connection with representations and the supply of information to us generally, we draw your attention to CA 2006, s. 501 under which it is an offence for an officer or employee of the charitable company to knowingly or recklessly make misleading, false or deceptive statements to the auditors.
- 1.10 We expect that you will inform us of any material event occurring between the date of our report and that of the annual general meeting, which may affect the financial statements. We are entitled to receive details of all written resolutions that are to be circulated to members, to attend all general meetings of the charitable company, and to receive notice of all such meetings.

1 Our responsibilities as auditors

- 2.1 Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK) as to whether:
- *the financial statements give a true and fair view of the state of the charitable company's affairs as at the year end and of its incoming resources and application of resources for the year then ended;*
 - *the financial statements have been properly prepared in accordance with applicable accounting standards;*
 - *the financial statements have been prepared properly in accordance with CA 2006;*
 - *the financial statements have been appropriately prepared on the going concern basis;*
 - *the financial statements have disclosed any identified material uncertainties that may cast significant doubt on the charitable company's ability to continue to adopt the going concern basis for at least the next twelve months from the date they are approved;*
 - *the directors'/trustees' report and, if relevant, the strategic report or any other information included in the annual report:*

- *have been prepared in accordance with applicable legal requirements;*
- *include information that is consistent with the financial statements; and*
- *in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified any material misstatements in the directors'/trustees' report and, if relevant, the strategic report or any other information included in the annual report, and to give an indication of the nature of such misstatements.*

In respect of the following matters specified in the CA 2006 we will also report to you on whether or not in our opinion:

- *adequate accounting records have been kept by the charitable company and proper returns adequate for our audit have been received from branches not visited by us; or*
- *the charitable company's balance sheet and profit and loss account are in agreement with the accounting records and returns; or*
- *certain disclosures of directors'/trustees' remuneration specified by law are not made; or*
- *we have obtained all the information and explanations which we think necessary for the purpose of our audit; or*
- *where the charitable company has prepared financial statements in accordance with the small company regime, whether it is entitled to do so; or*
- *where the charitable company has taken advantage of the small companies' exemption in preparing the directors'/trustees' report and, if relevant, taken advantage of the small companies exemption from the requirement to prepare a strategic report, whether it is entitled to do so.*

In arriving at that opinion those standards require us to comply with ethical requirements.

- 2.2 It is not sufficient for us as auditors to conclude that the financial statements give a true and fair view solely on the basis that the financial statements were prepared in accordance with accounting standards and any other applicable legal requirements. We are therefore required to consider whether additional disclosure will be necessary in the financial statements when compliance with an accounting standard is insufficient to give a true and fair view. If you are unwilling to make such additional disclosures, we will have to consider the effect on our report.
- 2.3 Our report will be made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of CA 2006. Our audit work will be undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.
- 2.4 There are certain other matters, which according to the circumstances may need to be dealt with in our report. For example, where the financial statements do not give details of directors'/trustees' remuneration or of their transactions with the charitable company, the CA 2006 requires us to disclose such matters in our report. Also, although only auditors of listed companies are required to include key audit matters in their report, there may be rare occasions when we believe it necessary to communicate key audit matters in our report.

- 2.5 Under ChA 2011, s. 156(2) we have a statutory duty to make a written report to the Charity Commission on such matters (which relates to the activities or affairs of the charity or of any connected institution or body) of which we become aware during the course of our audit and which we have reasonable cause to believe is likely to be of material significance for the purposes of the exercise by the Commission of its functions under ChA 2011, s. 156(3). In addition under s. 156(4) if we become aware of any matter which does not require to be reported under s. 156(2) but which we have reasonable cause to believe is likely to be relevant for the purposes of the exercise by the Charity Commission of any of its functions then we may make a report on the matter to the Commission. We may have to make this report without your knowledge and consent and we cannot undertake to you to fetter this discretion in any manner.
- 2.6 In addition, we have a professional duty to report if the financial statements do not comply in any material respect with the SORP or applicable accounting standards, unless in our opinion non-compliance is justified in the circumstances. In determining whether or not any departure is justified we will consider:
- (a) whether the departure is required in order for the financial statements to give a true and fair view; and
 - (b) whether adequate disclosure has been made concerning the departure.
- 2.7 Our professional duties also include:
- (a) incorporating in our report a description of the trustees' responsibilities for the financial statements, where the financial statements or accompanying information do not include such description; and
 - (b) considering whether other information in documentation containing the financial statements is consistent with the audited financial statements and our knowledge acquired during the course of the audit.
- 2.8 Where the charitable company is a subsidiary of a group, the audited financial statements of this company are included in the group financial statements of the parent. We are required by auditing standards to cooperate with the auditors of the parent company and to provide them with representations and confirmations concerning the conduct of the audit of this company. You agree that we may correspond with the auditors of the parent and respond to their reasonable requests for information (which may include granting them access to our working papers) concerning the preparation and audit of the group financial statements without further authority from you.
- 2.9 Where the charitable company is the parent of a group and all components are audited by the same firm, the audited accounts of this company are the group financial statements. As the group engagement auditors, we are required by auditing standards to coordinate the audit work on all subsidiary companies. Therefore, whilst as auditors of each subsidiary company the firm already has access to the management of those companies concerning their individual audited financial statements, you agree that we may also correspond with the management of the subsidiary companies and request reasonable information concerning the preparation and audit of the group financial statements without further authority from you.
- 2.10 Where the charitable company is the parent of a group and not all component auditors are from the same firm, the audited financial statements of this company are the group financial statements. As the group engagement auditors, we are required by auditing standards to

coordinate the work of the auditors of the subsidiary companies and to provide them with guidance concerning the conduct of the audit of the group. You agree that we may correspond with the management of the subsidiary companies, and their auditors, and request reasonable information (which may include access to the subsidiary auditor's working papers) concerning the preparation and audit of the group financial statements without further authority from you.

Scope of audit

- 2.11 Our audit will be conducted in accordance with the ISAs (UK) issued by the Financial Reporting Council (FRC). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. We will evaluate whether the information presented in the financial statements is relevant, reliable, comparable and understandable as well as providing adequate disclosures and appropriate terminology. This includes an assessment of:

- *whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;*
- *the reasonableness of significant accounting estimates made by the directors/trustees;*
- *whether there is adequate disclosure of the applicable financial reporting framework;*
and
- *the overall presentation of the financial statements.*

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and, if relevant, the Strategic Report, and state whether in our opinion the information given in the strategic report (if any) and the annual report is consistent with the financial statements; whether the report(s) have been prepared in accordance with applicable legal requirements and whether, in the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have identified any material misstatements in the report(s). If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

- 2.12 Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK).
- 2.13 We will obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements and to establish whether the charitable company has maintained adequate accounting records. We will need to obtain relevant and reliable evidence sufficient to enable us to draw reasonable conclusions therefrom.
- 2.14 The nature and extent of our tests will vary according to our assessment of the charitable company's accounting and internal control systems, and may cover any aspects of the business's operations. We shall report to the management any significant deficiencies in, or observations on, the charitable company's systems that come to our attention of which we believe the trustees should be made aware. Any such report may not be provided to any third party without our prior written consent. Such consent will only be granted on the basis that such reports are not prepared with the interests of any party other than the members in mind

and that we therefore neither have nor accept any duty or responsibility to any other party as concerns the reports.

- 2.15 In performing our audit procedures, we may make use of analytical tools. To facilitate this, we may request that you extract data, provide back-ups or provide alternative access to your accounting systems. How we will use analytical tools and any data provided will be set out in the communication of our planned approach.
- 2.16 As noted in section 1, the responsibility for safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors/trustees. However, we will plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations, but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist.
- 2.17 As part of our normal audit procedures, we will request you to provide formal representations concerning certain information and explanations we receive from you during the course of our audit. In particular, where we bring to your attention misstatements in the financial statements which are not adjusted, we shall require written representation of your reasons.
- 2.18 To enable us to conduct a review of your financial statements, which constitutes part of our audit, we will request sight of any documents or statements which will be issued with the financial statements.
- 2.19 Once we have issued our report we will have no further direct responsibility in relation to the financial statements for that financial year. However, as noted in section 1, we expect that you will inform us of any material event occurring between the date of our report and that of the annual general meeting, which may affect the financial statements.
- 2.20 HMRC does not require the auditor to provide assurance on the XBRL tagging of the financial statements submitted to it with the Company Tax Return. In addition, the ISAs (UK) do not require the auditor to confirm the accuracy of the tagging as part of the audit. Accordingly, our audit does not cover the accuracy of the XBRL tagging in the financial statements, and we accept no responsibility for any inaccuracies identified by HMRC.
- 2.21 A fuller description of the scope of an audit of financial statements arising from the requirements of ISAs (UK), together with other legal and regulatory requirements, is provided on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

Communication

- 2.22 In order to ensure that there is effective two-way communication between us we set out below the expected form and timing of such communications.
 - *We shall contact your primary contact by telephone prior to each year-end for preliminary discussions concerning the audit. We will confirm in writing the matters discussed and any agreed action.*
 - *We will arrange a meeting to discuss the forthcoming audit prior to the expected start date. Again we will confirm in writing the matters discussed and any agreed action.*

- *We will arrange a meeting to discuss any matters arising from the audit after completion of the detailed work. Again we will confirm in writing the matters discussed and any agreed action.*

- 2.23 The formal communications set out above are the minimum required to comply with auditing standards. We shall of course contact you on a more frequent and regular basis regarding both audit and other matters.
- 2.24 We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm (principals and staff) other than those engaged on the audit, for example information provided in connection with accounting, taxation and other services.

2 File review procedure

- 2.1 As part of our quality control procedures, we may need to make our audit files containing confidential information on your company available for independent third party review. Such reviews are carried out by professional accountants who are under the same rules of confidentiality as ourselves. We therefore request permission to disclose information concerning your financial affairs in the circumstances described. Agreement of this engagement letter is regarded as your approval unless and until we are notified that such permission has been withdrawn

4 Other services

- 4.1 There are other services that we can provide for you. In each case a separate letter of engagement will be issued.

5 Professional obligations

- 5.1 As required by the *Provision of Services Regulations 2009* (SI 2009/2999), details of the firm's professional registrations, including audit registration where applicable, can be found on our website.
- 5.2 We will observe and act in accordance with the bye-laws and regulations of our professional body together with their code of ethics. We accept instructions to act for you on this basis. In particular you give us authority to correct errors made by HM Revenue & Customs where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

Professional indemnity insurance

- 5.3 In accordance with the disclosure requirements of the *Provision of Services Regulations 2009*, details of our professional indemnity insurer is provided on request.

6 Investment services

- 6.1 Since we are not authorised by the Financial Conduct Authority then we may have to refer you to someone who is authorised if you need advice on investments. However, as we are licensed by our professional body, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you.

6.2 Such advice may include:

- advise you on investments generally, but not recommend a particular investment or type of investment;
- refer you to a Permitted Third Party (PTP) (an independent firm authorised by the FCA), assist you and the PTP during the course of any advice given by that party and comment on, or explain, the advice received (but not make alternative recommendations). The PTP will issue you with his own terms and conditions letter, will be remunerated separately for his services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000;
- advise you in connection with the disposal of an investment, other than your rights in a pension policy or scheme;
- advise and assist you in transactions concerning shares or other securities not quoted on a recognised exchange;
- assist you in making arrangements for transactions in investments in certain circumstances; and
- manage investments or act as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person.

6.3 For corporate clients we may also, on the understanding that the shares or other securities of the company are not publicly traded:

- advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options, valuations and methods of such valuations;
- arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- arrange for the issue of new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

6.4 In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken.

6.5 Where the firm is providing insurance mediation services (including fee protection), we are not authorised by the Financial Conduct Authority. However, we are included on the Register maintained by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by our professional body. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/register.

Financial Promotions

6.6 To enable us to provide you with a proper service, there may be occasions when we will need to contact you without your express permission concerning investment business matters. For example, it may be in your interests to sell a particular investment and we would wish to inform you of this. We may therefore contact you in such circumstances, but would only do so in our normal office hours of 8.30am – 5.00pm Monday – Thursday, 8.30am – 4.30pm on

Fridays. We shall of course comply with any restrictions you may wish to impose which you notify to us in writing.

7 Client monies

- 7.1 We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of our professional body, The Institute of Chartered Accountants in England and Wales.
- 7.2 In order to avoid an excessive amount of administration, interest will only be paid to you where the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £25. Any such interest would be calculated using the prevailing rate applied by HSBC for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.
- 7.3 If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then the money will be placed in a separate interest-bearing client bank account designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.
- 7.4 We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. In the unlikely event of us holding any unclaimed monies we reserve the right to pay such monies to a registered charity in line with the guidelines set out in the Clients' Money Regulations referred to above. We will not do this unless we have been unable to contact you for at least five years and we have taken reasonable steps to trace you and return the monies.

8 Fees

- 8.1 Our fees are computed on the basis of time spent on your affairs by the principals and our staff, including sub-contractors or consultants where necessary, and on the levels of skill and responsibility involved. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs.
- 8.2 If it is necessary to carry out work outside the responsibilities agreed with you for each service, we will advise you in advance. Any additional work will involve additional fees. Accordingly we would like to point out that it is in your interests to ensure that your records etc. are completed to the agreed stage.
- 8.3 Invoices are payable in full (including disbursements) in accordance with the terms set out on the invoice. If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.
- 8.4 It is our normal practice to request that clients make arrangements to pay a proportion of their fee on a monthly Direct Debit. These Direct Debits will be applied to fees arising from work agreed in this letter of engagement for the current and ensuing years. Once we have been able to assess the amount of work and time involved we would be grateful if you would agree to pay an amount to us on a regular basis.

- 8.5 We reserve the right to charge interest on overdue accounts at the current rate under the *Late Payment of Commercial Debts (Interest) Act 1998*. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed. We can accept settlement of fees by certain credit cards.
- 8.6 If a client company, trust or other entity is unable or unwilling to settle our fees, we reserve the right to seek payment from the individual (or parent company) giving us instructions on behalf of the client, and we shall be entitled to enforce any sums due against the group company or individual nominated to act for you.
- 8.7 Insofar as we are permitted to so by law or by professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.
- 8.8 In the event that we cease to act in relation to your company's affairs you agree to meet all reasonable costs of providing information to the company's new advisers. In particular you agree to meet these costs where we are required by law to provide information to a successor firm.

9 Retention of Papers

- 9.1 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs. We will return any original documents to you if requested. Documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, trustees and partnerships:

- with trading or rental income: five years and 10 months after the end of the tax year;
- otherwise: 22 months after the end of the tax year.

Companies, Limited Liability Partnerships, and other corporate entities:

- six years from the end of the accounting period.

- 9.2 Although certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must notify us in writing if you wish us to keep any document for a longer period.

10 Conflicts of interest and independence

- 10.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours or are or may be adverse to yours, subject to clause 11 below. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you unless we are unable to do so because of our confidentiality obligations. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. Where conflicts are identified which cannot be

managed in a way that protects your interests then we regret that we will be unable to provide further services.

- 10.2 During and after our engagement, you agree that we reserve the right to act for other clients whose interests are or may compete with or be adverse to yours, subject, of course, to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality below

11 Confidentiality

- 11.1 We confirm that where you give us confidential information we shall at all times keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional statements relevant to our engagement.
- 11.2 You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality, it will be sufficient for us to take such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.
- 11.3 In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of, and access to, information.
- 11.4 You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 11.5 We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.
- 11.6 If we use external or cloud based systems, we will ensure confidentiality of your information is maintained.
- 11.7 We reserve the right, for the purpose of promotional activity, training or other business purposes, to mention that you are a client. As stated above, we will not disclose any confidential information.

12 Quality control

- 12.1 As part of our ongoing commitment to providing a high quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.

Dealing with HM Revenue & Customs

- 12.2 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner. For more

information about 'Your Charter' for your dealings with HMRC, see www.hmrc.gov.uk/charter/index.htm. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.

- 12.3 We will take account of the steps and checks suggested by HMRC in their 'Agent Toolkits'. While use of the Toolkits is voluntary, we will ensure that our quality control procedures match or enhance the suggestions in the Toolkits so that, in the unlikely event that HMRC consider any of your tax returns with which we assist to be inaccurate, we will be able to help you demonstrate to HMRC that reasonable care has been taken in the preparation of the return, thereby significantly reducing the possibility of an inaccuracy penalty being imposed. To further reduce the possibility of an inaccuracy penalty, you will remain responsible for maintaining good quality supporting records for each return, for providing us with all relevant information and explanations and for acting on any advice that we give you

13 Help us to give you the right service

- 13.1 We are committed to providing you with a high quality service that is both efficient and effective. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by contacting either of the Directors
- 13.2 We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with the Institute of Chartered Accountants in England and Wales.
- 13.3 In order for us to provide you with a high quality service on an ongoing basis it is essential that you provide us with relevant records and information when requested, reply to correspondence in a timely manner and otherwise follow the terms of the agreement between us set out in this Standard Terms of Business and associated Engagement schedules. We therefore reserve the right to cancel the engagement between us with immediate effect in the event of:
- your insolvency, bankruptcy or other arrangement being reached with creditors;
 - failure to pay our fees by the due dates;
 - either party being in breach of their obligations where this is not corrected within 30 days of being asked to do so.

14 Applicable law

- 14.1 This engagement letter is governed by, and construed in accordance with English Law. The Courts will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.
- 14.2 If any provision in this Standard Terms of Business or any associated engagement schedules, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.

15 Changes in the law, in practice or in public policy

- 15.1 We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law, public policy or your circumstances.
- 15.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof, practice, or public policy that are first published after the date on which the advice is given to the fullest extent permitted by applicable law.

16 Internet communication

- 16.1 Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via email or by other electronic means. However, internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication. We will never change our bank details without confirming this to you by posted letter. Any emailed or telephoned communications appearing to be from us which are not confirmed by post are fake and we accept no liability for any loss caused to you through accepting such communications as genuine. Similarly, always give us by hand or by post (as well as by email) details of your bank account.
- 16.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

17 Data Protection

- 17.1 To enable us to discharge the services agreed under our engagement, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance, we may obtain, use, process and disclose personal data about you/your business/company/partnership/its officers and employees and shareholders ('personal data').

Data controller

- 17.2 We confirm that we are each considered an independent data controller in relation to personal data and that we will each comply with the relevant provisions of applicable data protection legislation.
- 17.3 You will also ensure that any disclosure of personal data to us complies with such legislation. If you supply us with any personal data or confidential information you shall ensure you have a lawful basis to pass it to us and will fully indemnify and hold us harmless if you do not have such a basis and that causes us loss. If you are supplying us with personal data on the basis of a power of attorney for anyone you must produce to us an original or certified copy of the power of attorney on demand. You must ensure you have provided the necessary information

to the relevant data subjects regarding its use. You may refer to our privacy notice on our website.

- 17.4 As a separate data controller, we may receive subject access requests from data subjects where they request copies of their personal data. We will co-operate with the request as per our own internal procedures. Should an objection or request for data erasure happen, we will assess each request on a case by case basis to establish the validity of the request.
- 17.5 In the course of providing services to you, we may disclose personal data to other firms in our network, a regulatory body, a third party or a buyer of our business. As part of our operational service, personal data supplied to us may be transferred between us and EEA/UK/USA where necessary. We will ensure that where any such data transfer takes place, it is covered by an appropriate safeguard such as an adequacy decision. Where an adequacy decision is not applicable another safeguard mechanism will be implemented, such as a standard contractual clause (SCC) to ensure that the transfer remains legal. Where cloud-based services are used the relevant cloud services terms and conditions will apply. In some instances, the location of data stored in the cloud may reside outside of the EEA/UK.
- 17.6 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 17.7 We will answer your reasonable enquiries to enable you to monitor compliance with this clause. If you need to contact us about any data protection issue, please contact our office.

Data processor

- 17.8 Applicable data protection legislation places express obligations on you as a data controller where we as a data processor undertake the processing of personal data on your behalf. An example would be where we operate a payroll service for you. We therefore confirm that we will at all times use our reasonable endeavours to comply with the requirements of applicable data protection legislation when processing data on your behalf. In particular we confirm that we will aim to comply with any obligations equivalent to those placed on you as a data controller in the EU/EEA/UK. You will also comply with applicable data protection legislation, including but not restricted to, ensuring that you have all appropriate consents and notices or another legal basis in place to enable the lawful transfer of personal data to us. You will fully indemnify and hold us harmless if you do not have a lawful basis and that causes us loss.
- 17.9 Schedule 1.01a forms part of this engagement letter and sets out the subject matter and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects.
- 17.10 As the data processor we shall;
- process personal data only on written instruction from you;
 - Restrict data access to authorised personnel only, who are bound by confidentiality;
 - Disclose the personal data to courts, government agencies and other third parties as and to the extent required by law;
 - Maintain a written record of all categories of personal data processing carried out on your behalf, including details of transfers of personal data outside of the EU/EEA/UK

and a general description of the technical and organisational security measures in place in relation to personal data;

- Delete or return all personal data to you at the completion of our engagement requiring personal data processing, subject to legal requirements to retain data;

- 17.11 In the course of providing services to you and processing personal data, we may disclose personal data to other firms in our network, a regulatory body or a third party. We may use a sub-processor and/or export personal data you supply to us outside the EU/EEA/UK where necessary. We will obtain consent before engaging sub-processors. We will ensure all such data disclosure/export is compliant with relevant data protection legislation and will use our reasonable endeavours to ensure that any agreement entered into with sub-processors includes similar terms to those set out in this clause 17. Where cloud-based services are to be used you may be subject to our cloud services terms and conditions.
- 17.12 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 17.13 We will notify you within 10 working days if an individual asks for copies of their personal data, makes a complaint about the processing of personal data or serves a notice from a relevant data protection authority where it relates to you. You and we will consult and cooperate with each other when responding to any such request, complaint or notice. If an individual whose data you have supplied to us or which we are processing on your behalf asks us to remove or cease processing that data, we shall be entitled to do so where required by law.
- 17.14 We will answer your reasonable enquiries to enable you to monitor compliance with this clause. We will also allow for, and contribute to, audits or inspections conducted by the ICO or their auditor to demonstrate compliance with this clause.

18 Limitation of third party rights

- 18.1 Persons who are not party to this agreement shall have no rights under the *Contracts (Rights of Third Parties) Act 1999* to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 18.2 The advice we give you is for your sole use and is confidential to you and will not constitute advice for any third party to whom you may communicate it, unless we have expressly agreed in writing that a specified third party may rely on our work. We will accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, your spouse nor any family member of yours or your employer, for any aspect of our professional services or work that is made available to them.

19 Client identification

- 19.1 In common with other professional services firms, we are required by the *Proceeds of Crime Act 2002* and the *Money Laundering, Terrorist Financing and Transfer for Funds (Information on the Payer) Regulations 2017* (MLR 2017) to:
- maintain identification procedures for clients, beneficial owners of clients, and persons purporting to act on behalf of clients;

- *maintain records of identification evidence and the work undertaken for the client; and*
- *report, in accordance with the relevant legislation and regulations.*

We have a statutory obligation under the above legislation to report to the National Crime Agency (NCA) any reasonable knowledge or suspicion of money laundering. Any such report must be made in the strictest confidence. In fulfilment of our legal obligations, neither the firm's principals nor may staff enter into any correspondence or discussions with you regarding such matters.

- 19.2 If we are not able to obtain satisfactory evidence of your identity and where applicable that of the beneficial owners, we will not be able to proceed with the engagement.
- 19.3 If you undertake business that requires you to be supervised by an appropriate supervisory authority to follow anti-money laundering regulations, including if you accept or make high value cash payments of €10,000 or more (or equivalent in any currency) in exchange for goods, you should inform us.
- 19.4 Any personal data received from you to comply with our obligations under the MLR 2017 will be processed only for the purposes of preventing money laundering or terrorist financing. No other use will be made of this personal data unless use of the data is permitted by or under enactment other than the MLR 2017, or we have obtained the consent of the data subject to the proposed use of the data.

20 Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards

- 20.1 Unless agreed specifically in a separate engagement letter, we are not responsible for your compliance with the *International Tax Compliance (United States of America) Regulations* 2013, produced as a result of FATCA. In particular, we are not responsible for the categorisation of any UK entity into either a Financial Institution (FI) or an active or passive Non-Financial Foreign Entity (NFFE) nor, if a Financial Institution, for its registration with the US Internal Revenue Service (IRS) and subsequent submission of the required annual returns to HM Revenue & Customs.
- 20.2 However, if requested to do so we can provide advice on the completion of the forms supplied by Financial Institutions under these Regulations, or under Common Reporting Standards, and used by them to determine the status of an entity. We can also provide advice on setting up the appropriate systems to identify and report on your clients or beneficiaries who are foreign citizens affected by FATCA or Common Reporting Standards.

21 General Limitation of liability

- 21.1 We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default. However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities where you or others supply incorrect or incomplete information, or fail to supply any appropriate information or where you fail to act on our advice or respond promptly to communications from us or the tax authorities. Further, we will not be liable to you for any delay or failure to perform our obligations if the delay or

failure is caused by circumstances outside our reasonable control. Subject to clause 21.2 below, our liability to you shall be limited as set out in our engagement or other client letter.

- 21.2 You will not hold us, our principal(s)/director(s), shareholders and staff, responsible, to the fullest extent permitted by law, for any loss suffered by you arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing. This applies equally to fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers. However, this exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry.
- 21.3 You agree that you will not bring any claim in connection with services we provide to you against any of our partners, shareholders, directors or employees personally.
- 21.4 Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them. You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it and our legal fees on an indemnity basis.
- 21.5 Nothing in this agreement shall exclude or limit our liability for death or personal injury caused by negligence nor for fraudulent misrepresentation or other fraud which may not as a matter of applicable law be excluded or limited.

22 Intellectual property rights and use of our name

- 22.1 We will retain all intellectual property rights in any document prepared by us during the course of carrying out the engagement except where the law specifically states otherwise. You may only use such rights to the extent we agreed when engaged to provide services to you and may not resell or sublicense such rights without our further prior consent.
- 22.2 You are not permitted to use our name in any statement or document that you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that in accordance with applicable law are to be made public.

23 Draft/interim work or oral advice

- 23.1 In the course of our providing services to you we may provide advice or reports or other work products in draft or interim form, or orally. However, final written work products will always prevail over any draft, interim or oral statements. Where you request it, we will provide you with written confirmation of matters stated orally. Advice is valid as at the date it was given.

24 Interpretation

- 24.1 If any provision of our engagement letter or terms of business is held to be void for whatever reason, then that provision will be deemed not to form part of this contract, and no other provisions will be affected or impaired in any way. In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

25 Internal disputes within a client

- 25.1 If we become aware of a dispute between the parties who own the business, or who are in some way involved in its ownership and management, it should be noted that our client is the business (unless we have agreed otherwise) and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties, we will continue to supply information to the registered office/normal place of business for the attention of the directors/proprietors/partners/trustees. If conflicting advice, information or instructions are received from different directors/principals in the business, we will refer the matter back to the board of directors/the partnership and take no further action until the board/partnership has agreed the action to be taken. In certain cases we reserve the right to cease acting for the business/client entirely.

26 Disengagement

- 26.1 If we resign or are asked to resign, we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

27 Agreement of terms

- 27.1 The terms set out in this letter shall take effect immediately upon your countersigning this letter and returning it.
- 27.2 Once it has been agreed, this letter and the attached Standard Terms of Business will remain effective until they are replaced. We shall be grateful if you could confirm your agreement to these terms by signing the enclosed copy of this letter and returning it to us immediately.
If the signed letter is not returned and you do not contact us with any queries relating to its contents within 30 days, we will assume this signifies your acceptance of the terms.

Yours faithfully

Alliott Wingham Limited
Alliott Wingham Limited

I confirm that I have read and understood the contents of this letter, including the Standard Terms of Business, and agree that they accurately reflect the services that I have instructed you to provide.

Signed *Vanessa Hancock* Dated 25-06-2024

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V Hancock

For and on behalf of The Curdridge Reading Room and Recreation Ground Charity