

The Directors
The Cottage Community
100 Brands Hatch Park
Scratchers Lane
Fawkham
Kent
DA3 8PU

Sargeant Partnership LLP
Chartered Accountants
5 White Oak Square
London Road
SWANLEY
Kent
BR8 7AG

Dear Sirs

ACCOUNTS - YEAR ENDED 31 MARCH 2022

During the course of your independent examination of the financial statements of the charity for the year ended 31 March 2022, the following representations were made to you by management and trustees.

1. We have fulfilled our responsibilities as trustees under the Companies Act 2006 for preparing financial statements, in accordance with the applicable financial reporting framework (FRS and FRS 102 The Charity SORP), that give a true and fair view and for making accurate representations to you as our independent examiners [and for the financial statements which you have prepared on our behalf for the charity].
2. We confirm that all accounting records have been made available to you for the purpose of your independent examination, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain independent examination evidence and have provided any additional information that you have requested for the purposes of your independent examination.
3. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Continued ../2..

4. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the independent examination and accounted for and disclosed in accordance with the applicable financial reporting framework.
5. We confirm that there had been no events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
6. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that the related party relationships and transactions set out below are a complete list of such relationships and transactions and that we are not aware of any further related parties or transactions.

Party	Relationship	Nature of transaction
RACDV Sales Limited	Subsidiary	Intercompany balance

7. We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.
8. We confirm that the charity has had, at no time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor to provide guarantees of any kind on behalf of the trustees.
9. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
10. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities.
11. We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our own risk assessment that the financial statements may be misstated as a result of fraud.

Continued ../3..

Company Registered Number: CE015598

Registered Office Address: 100 Brands Hatch Park Scratchers Lane Fawkham Kent DA3 8PU

VAT Number:

Place of Registration: England and Wales

Page 3.

12. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by former trustees, employees, regulators or others.
13. We confirm that, having considered our expectations and intentions for the next 12 months and the availability of unrestricted reserves, the charity is a going concern.
14. We confirm that in our opinion the effects of unadjusted misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the unadjusted misstatements is attached to this letter.
15. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.
16. We confirm that we are not aware of any matters of material significance that should be reported to the Charity Commission.
17. We acknowledge our legal responsibilities regarding disclosure of information to you as independent examiners and confirm that:
 - so far as each trustee is aware, there is no relevant information of which you as independent examiners are unaware; and
 - each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant information and to establish that you are aware of that information.

Continued ../4..

Page 4.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate of supporting documentation) sufficient to satisfy us that we can properly make each of the above representations to you and that to the best of our knowledge and belief they accurately reflect the representations made to you by the trustees during the course of your independent examination.

Yours faithfully,



.....
Signed on behalf of the board of trustees

Trustee – D PUTMAN

21/12/2022

Date.....

Company Registered Number: CE015598

Registered Office Address: 100 Brands Hatch Park Scratchers Lane Fawkham Kent DA3 8PU

VAT Number:

Place of Registration: England and Wales

REGISTERED COMPANY NUMBER: CE015598 (England and Wales)
REGISTERED CHARITY NUMBER: 1180662

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
THE COTTAGE COMMUNITY

Sargeant Partnership LLP
Chartered Accountants
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

THE COTTAGE COMMUNITY

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 16
Detailed Statement of Financial Activities	17

THE COTTAGE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Incorporation

The charitable company was incorporated on 13 November 2018 and commenced trading on 1 April 2019.

OBJECTIVES AND ACTIVITIES

The objective of the charity is to enhance the personal choices and quality of life of elderly and vulnerable people primarily living at home within its area, through the provision of a day care centre, transport facilities, a disabled friendly shower room, daily meals delivery, shopping and other day trips and outings, together with advice and information and other connected facilities.

The Cottage Day Centre

This provides elderly and vulnerable clients who continue to live at home with a venue providing lunches and the opportunity to socialise and partake in a wide variety of activities including: book clubs, singing sessions, armchair exercise classes, bingo and other pastimes. Covid regulations continued to affect the take up of these facilities this year but the meals delivery service to client's homes progressed apace and provided a means of keeping in contact with clients generally. The Trustees again commend the work of the CEO and her staff who, with their diversified skills kept the charity flourishing and provided a connection to isolated clients in our area.

Minibus Services

Three minibuses are available for clients' transport which, together with the drivers, ensure that clients are transported safely to and from the Cottage Day Centre as well as reinstating, from July 2021) shopping trips and day trips to places of local interest as well as outings further afield to the coast.

Meals Delivery

Meals delivery to client's homes has become a predominant activity. Daily deliveries ranged from 25 to 35 providing a freshly cooked two course lunch at an affordable price.

THE COTTAGE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Kent County Council (KCC) continued to provide the funding under a service agency agreement for the charity in this, albeit the final, year. Additional funds came from Government initiated Covid related grants from KCC, Sevenoaks DC, other smaller grants, charges to clients and from our charity shop. At the beginning of the financial year claims were also made under the Government's Coronavirus Job Retention Scheme.

The financial statements for the year ended 31 March 2022 follow this report and have been examined by The Sargeant Partnership LLP. The statements show that the charity incurred a deficit in the year of £....., the loss being covered by reserves.

As indicated above local government funding for the type of services offered by The Cottage Community ceased at the end of this financial year requiring total reliance on self-generated funding for the future. This major effect on our funding has led the Trustees to consider the sale of the Cottage freehold premises with a view to leasing alternative accommodation to continue the Charity's work.

Costs generally increased in the year in line with inflation, while for salaries the charity adopts the National Living Wage basis and these were increased accordingly in the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Constitution

The charity is registered with the Charity Commission and is a Charitable Incorporated Organisation (CIO)

It has a written constitution dated 13 November 2019, which details the framework and parameters of our activities and objectives.

Method of Appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are appointed under the terms of the constitution. Trustees are recruited according to the skills and experience they can provide to obtain a competent and balanced management

Risk Management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Reserves Policy

In accordance with The Charity Commission recommendation and best practice, the charity held a minimum of six months operating costs in its reserves. Monies held in reserve are where appropriate, retained in a fixed rate deposit account.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE015598 (England and Wales)

Registered Charity number

1180662

THE COTTAGE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Registered office

100 Brands Hatch Park
Scratchers Lane
Fawkham
Kent
DA3 8PU

Trustees

Mr J Kelly (Chair)
Mr P Coleman
Mr D Putman (Treasurer)
Mr C Armstrong

Chief Executive Officer

Ms A Dabb

Independent Examiner

Joanne Brown
FCCA
Sargeant Partnership LLP
Chartered Accountants
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

21/12/2022

Approved by order of the board of trustees on and signed on its behalf by:



.....
D Putman - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE COTTAGE COMMUNITY

Independent examiner's report to the trustees of The Cottage Community ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and 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.

Joanne Brown
FCCA
Sargeant Partnership LLP
Chartered Accountants
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

Date:

THE COTTAGE COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		67,496	6,244	73,740	105,574
Charitable activities					
General		62,479	-	62,479	46,786
Service agreement		61,621	-	61,621	22,256
Investment income	2	-	-	-	1,264
Total		<u>191,596</u>	<u>6,244</u>	<u>197,840</u>	<u>175,880</u>
EXPENDITURE ON					
Charitable activities					
General		230,516	-	230,516	163,052
Catering supplies		-	-	-	9,428
Total		<u>230,516</u>	<u>-</u>	<u>230,516</u>	<u>172,480</u>
NET INCOME/(EXPENDITURE)		(38,920)	6,244	(32,676)	3,400
RECONCILIATION OF FUNDS					
Total funds brought forward		659,901	3,483	663,384	659,984
TOTAL FUNDS CARRIED FORWARD		<u><u>620,981</u></u>	<u><u>9,727</u></u>	<u><u>630,708</u></u>	<u><u>663,384</u></u>

The notes form part of these financial statements

THE COTTAGE COMMUNITY

BALANCE SHEET 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	7	463,210	-	463,210	472,695
Investments	8	15,000	-	15,000	15,000
		<u>478,210</u>	<u>-</u>	<u>478,210</u>	<u>487,695</u>
CURRENT ASSETS					
Stocks	9	750	-	750	750
Debtors	10	40,096	-	40,096	39,368
Cash at bank and in hand		104,334	9,727	114,061	154,137
		<u>145,180</u>	<u>9,727</u>	<u>154,907</u>	<u>194,255</u>
CREDITORS					
Amounts falling due within one year	11	(2,409)	-	(2,409)	(5,316)
		<u>142,771</u>	<u>9,727</u>	<u>152,498</u>	<u>188,939</u>
NET CURRENT ASSETS					
		<u>142,771</u>	<u>9,727</u>	<u>152,498</u>	<u>188,939</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		620,981	9,727	630,708	676,634
CREDITORS					
Amounts falling due after more than one year	12	-	-	-	(13,250)
		<u>620,981</u>	<u>9,727</u>	<u>630,708</u>	<u>663,384</u>
NET ASSETS					
		<u>620,981</u>	<u>9,727</u>	<u>630,708</u>	<u>663,384</u>
FUNDS	14				
Unrestricted funds				620,981	659,901
Restricted funds				9,727	3,483
TOTAL FUNDS				<u>630,708</u>	<u>663,384</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

THE COTTAGE COMMUNITY

BALANCE SHEET - continued 31 MARCH 2022

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21/12/2022..... and were signed on its behalf by:



.....
D Putman - Trustee

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Improvements to property	- 25% per annum on reducing balance
Fixtures and fittings	- 25% per annum on reducing balance
Motor vehicles	- 25% per annum on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The trustees consider that there are restricted funds. These include a Coop grant.

The Capital Reserve is represented by the freehold property.

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

Grants receivable

Receipts by way of "grant" have been included in the Statement of Financial Activities (gross, no netting off) in accordance with the term of the grant and have not been recognised until the conditions for receipts have been complied with.

2. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	-	1,264
	<u> </u>	<u> </u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Independent examination fees	3,060	3,834
Depreciation - owned assets	10,705	13,509
	<u> </u>	<u> </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2022	2021
Administration	9	9
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	92,663	12,911	105,574
Charitable activities			
General	46,786	-	46,786
Service agreement	22,256	-	22,256
Investment income	1,264	-	1,264
Total	<u>162,969</u>	<u>12,911</u>	<u>175,880</u>
EXPENDITURE ON			
Charitable activities			
General	163,052	-	163,052
Catering supplies	-	9,428	9,428
Total	<u>163,052</u>	<u>9,428</u>	<u>172,480</u>
NET INCOME/(EXPENDITURE)	(83)	3,483	3,400
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	672,219	-	672,219
Prior year adjustment	(12,235)	-	(12,235)
As restated	<u>659,984</u>	<u>-</u>	<u>659,984</u>
TOTAL FUNDS CARRIED FORWARD	<u>659,901</u>	<u>3,483</u>	<u>663,384</u>

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

7. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2021	431,019	32,775	10,690	27,195	501,679
Additions	-	-	1,220	-	1,220
	<u>431,019</u>	<u>32,775</u>	<u>11,910</u>	<u>27,195</u>	<u>502,899</u>
At 31 March 2022	431,019	32,775	11,910	27,195	502,899
DEPRECIATION					
At 1 April 2021	-	13,906	4,673	10,405	28,984
Charge for year	-	4,717	1,790	4,198	10,705
	<u>-</u>	<u>18,623</u>	<u>6,463</u>	<u>14,603</u>	<u>39,689</u>
At 31 March 2022	-	18,623	6,463	14,603	39,689
NET BOOK VALUE					
At 31 March 2022	<u>431,019</u>	<u>14,152</u>	<u>5,447</u>	<u>12,592</u>	<u>463,210</u>
At 31 March 2021	<u>431,019</u>	<u>18,869</u>	<u>6,017</u>	<u>16,790</u>	<u>472,695</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2021 and 31 March 2022	<u>15,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>15,000</u>
At 31 March 2021	<u>15,000</u>

There were no investment assets outside the UK.

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

9. STOCKS

	2022	2021
	£	£
Stocks	750	750

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	3,156	1,244
Other debtors	35,005	37,251
Prepayments and accrued income	496	500
Prepayments	1,439	373
	<u>40,096</u>	<u>39,368</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 13)	-	1,750
Trade creditors	518	-
Social security and other taxes	(109)	1,566
Accruals and deferred income	2,000	2,000
	<u>2,409</u>	<u>5,316</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 13)	-	13,250

13. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	-	1,750
Amounts falling between one and two years:		
Bank loans - 1-2 years	-	3,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	9,000

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

13. LOANS - continued

	2022 £	2021 £
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	-	1,250

14. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	228,882	(38,920)	189,962
Capital Reserve	431,019	-	431,019
	<u>659,901</u>	<u>(38,920)</u>	<u>620,981</u>
Restricted funds			
COOP grant	3,483	6,244	9,727
	<u>663,384</u>	<u>(32,676)</u>	<u>630,708</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	191,596	(230,516)	(38,920)
Restricted funds			
COOP grant	6,244	-	6,244
	<u>197,840</u>	<u>(230,516)</u>	<u>(32,676)</u>

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Prior year adjustment £	Net movement in funds £	At 31/3/21 £
Unrestricted funds				
General fund	241,200	(12,235)	(83)	228,882
Capital Reserve	431,019	-	-	431,019
	<u>672,219</u>	<u>(12,235)</u>	<u>(83)</u>	<u>659,901</u>
Restricted funds				
COOP grant	-	-	3,483	3,483
	<u>-</u>	<u>-</u>	<u>3,483</u>	<u>3,483</u>
TOTAL FUNDS	<u><u>672,219</u></u>	<u><u>(12,235)</u></u>	<u><u>3,400</u></u>	<u><u>663,384</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	162,969	(163,052)	(83)
Restricted funds			
CF food grant	9,428	(9,428)	-
COOP grant	3,483	-	3,483
	<u>12,911</u>	<u>(9,428)</u>	<u>3,483</u>
TOTAL FUNDS	<u><u>175,880</u></u>	<u><u>(172,480)</u></u>	<u><u>3,400</u></u>

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Prior year adjustment £	Net movement in funds £	At 31/3/22 £
Unrestricted funds				
General fund	241,200	(12,235)	(39,003)	189,962
Capital Reserve	431,019	-	-	431,019
	<u>672,219</u>	<u>(12,235)</u>	<u>(39,003)</u>	<u>620,981</u>
Restricted funds				
COOP grant	-	-	9,727	9,727
	<u>-</u>	<u>-</u>	<u>9,727</u>	<u>9,727</u>
TOTAL FUNDS	<u><u>672,219</u></u>	<u><u>(12,235)</u></u>	<u><u>(29,276)</u></u>	<u><u>630,708</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	354,565	(393,568)	(39,003)
Restricted funds			
CF food grant	9,428	(9,428)	-
COOP grant	9,727	-	9,727
	<u>19,155</u>	<u>(9,428)</u>	<u>9,727</u>
TOTAL FUNDS	<u><u>373,720</u></u>	<u><u>(402,996)</u></u>	<u><u>(29,276)</u></u>

THE COTTAGE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

15. RELATED PARTY DISCLOSURES

At 31st March 2022 the charity was owed £35,005 (2021: £37,251) by it's subsidiary company RACDV Sales Limited.

THE COTTAGE COMMUNITY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	42,122	22,398
Grants	31,618	83,176
	<hr/> 73,740	<hr/> 105,574
Investment income		
Deposit account interest	-	1,264
Charitable activities		
Service agreements	61,621	22,256
Income from client services	62,479	46,786
	<hr/> 124,100	<hr/> 69,042
Total incoming resources	<hr/> 197,840	<hr/> 175,880
EXPENDITURE		
Charitable activities		
Wages	143,603	106,897
Establishment costs	25,294	7,971
Vehicle running and leasing	19,804	17,193
Catering supplies	15,116	13,602
Sundries	9,115	5,368
Improvements to property	4,718	6,185
Fixtures and fittings	1,789	2,005
Motor vehicles	4,198	5,319
	<hr/> 223,637	<hr/> 164,540
Support costs		
Governance costs		
Auditors' remuneration	3,060	3,834
Accountancy and legal fees	3,819	4,106
	<hr/> 6,879	<hr/> 7,940
Total resources expended	<hr/> 230,516	<hr/> 172,480
Net (expenditure)/income	<hr/> (32,676)	<hr/> 3,400

This page does not form part of the statutory financial statements

Our Ref: GAS/SJS/MGM/COT006/CAC

13 December 2022

The Directors
The Cottage Community
100 Brands Hatch Park
Scratchers Lane
Fawkham
Kent
DA3 8PU

Dear Sirs

STANDARD TERMS OF BUSINESS

The following standard terms of business apply to all engagements accepted by Sargeant Partnership LLP. All work carried out is subject to these terms except where changes are expressly agreed in writing.

1 Professional Obligations

- 1.1 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 at www.sargeantpartnership.com.
- 1.2 We will observe and act in accordance with the Byelaws and regulations of The Institute of Chartered Accountants in England and Wales 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

- 1.3 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is Markel (UK) Limited, of Markel Building, 49 Leadenhall Street, London, EC3A 2EA. The territorial coverage is worldwide excluding professional business carried out from an office in the United States of America or Canada and excludes any action for a claim brought in any court in the United States of America or Canada.

2 Investment Services

- 2.1 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 The

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



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 & WALES

Institute of Chartered Accountants in England and Wales, 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.

2.2 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.

2.3 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.

2.4 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.

2.5 Where the firm is providing insurance distribution services (including fee protection), we are not authorised by the Financial Conduct Authority. However, we are included on the Register maintained

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSET WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

SARGEANT PARTNERSHIP LLP IS A LIMITED LIABILITY PARTNERSHIP REGISTERED IN ENGLAND AND WALES (NUMBER 06430251). REGISTERED OFFICE: 5 WHITE OAK SQUARE, LONDON ROAD, SWANLEY, KENT BR8 7AG WHERE A LIST OF MEMBERS CAN BE INSPECTED.
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

by the Financial Conduct Authority so that we can carry on insurance distribution 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 Institute of Chartered Accountants in England and Wales. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/register.

Financial Promotions

- 2.6 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 9am to 5.30pm. We shall of course comply with any restrictions you may wish to impose which you notify to us in writing.

3 Commissions or Other Benefits

- 3.1 In some circumstances, commissions or other benefits may become payable to us or to one of our associates in respect of transactions we or such associates arrange for you, in which case you will be notified in writing of the amount and terms of payment. You consent to such commission or other benefits being retained by us or, as the case may be, by our associates, without our, or their, being liable to account to you for any such amounts.

4 Client Monies

- 4.1 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 The Institute of Chartered Accountants in England and Wales.
- 4.2 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 balance held on your behalf in any calendar year exceeds £25. Any such interest would be calculated using the prevailing rate applied by Barclays Bank Plc for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.
- 4.3 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.
- 4.4 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSET WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

5 Fees

- 5.1 Our fees are computed on the basis of time spent on your affairs by the principals and our staff, including subcontractors or consultants where necessary and on the levels of skill and responsibility involved. Appendix 1 contains details of our current charge out rates. The charge out rates are reviewed periodically. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs.
- 5.2 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.
- 5.3 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.
- 5.4 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 could agree to pay an amount to us on a regular basis.

Direct debits represent refundable deposits which are repayable to you on demand. On the occasion that we raise a fee request for work undertaken, direct debits received up to that date will be allocated to settle the amount billed, 30 days after the invoice date, unless you notify us in writing to the contrary within the 30-day period. Any remaining balance after the direct debits have been taken into account is due strictly 30 days net from the fee request date.

- 5.5 Our terms relating to payment of amounts invoiced and not covered by direct debits, where appropriate, are strictly 30 days net. We reserve the right to charge interest on overdue accounts at the current rate under the Late Payment of Commercial Debts (Interest) Act 1998 or the current Bank of England base rate, plus 4%. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed.

Settlement of fees by MasterCard or Visa is accepted. A 2.8% charge will be added to your account where payment is made to us by credit card, in partial recompense of the credit card charge we will ourselves be subject to.

- 5.6 In the event that the entity is unable to pay or will not pay our fees, pursuant to these terms of business, the trustees, by signing these terms of business hereby guarantee to us to personally pay such unpaid fees (to also include any unpaid disbursements).
- 5.7 Insofar as we are permitted to do 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- 5.8 In the event that this firm ceases 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.

6 Retention of Papers

- 6.1 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 ten 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.

- 6.2 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.

7 Conflicts of Interest and Independence

- 7.1 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 averse to yours subject to clause 8 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.
- 7.2 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 averse to yours, subject, of course, to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality below.

8 Confidentiality

- 8.1 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- 8.2 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.
- 8.3 In addition, if we act for other clients whose interests are or may be averse 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.
- 8.4 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.
- 8.5 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. You may additionally need to consider your data protection responsibilities.
- 8.6 We will inform you of the proposed use of a subcontractor before they work, except where your data will not be transferred out of our systems and the subcontractor is bound by the confidentiality terms equivalent to an employee.
- 8.7 This clause applies in addition to our obligations as to data protection below.

9 Quality Control

- 9.1 As part of our ongoing commitment to providing a high-quality service, our files are periodically subject to an independent 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

- 9.2 When dealing with HM Revenue & Customs 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 HM Revenue & Customs, see www.hmrc.gov.uk/charter/index.htm. To the best of our abilities, we will ensure that HM Revenue & Customs meet their side of the Charter in their dealings with you.
- 9.3 We will take account of the steps and checks suggested by HM Revenue & Customs 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 HM Revenue & Customs consider any of your tax returns with which we assist to be inaccurate, we will be able to help you demonstrate to HM Revenue & Customs 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

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

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.

10 Help us to Give you the Right Service

- 10.1 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 telephoning Gary Sargeant.
- 10.2 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.
- 10.3 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 letters. 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.

11 Applicable Law

- 11.1 This engagement letter is governed by, and construed in accordance with, English law. The Courts of England 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.
- 11.2 If any provision in this Standard Terms of Business or any associated engagement letter, 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.

12 Changes in the Law in Practice or in Public Policy

- 12.1 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 or your circumstances.
- 12.2 We will accept no liability for losses arising from changes in the law or 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

13 Internet Communication

- 13.1 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 email 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 email 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 telephone communication 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.
- 13.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

14 Data Protection

- 14.1 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 and data processor

Data controller

- 14.2 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.
- 14.3 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 at the web address www.sargeantpartnership.com for this purpose.
- 14.4 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- 14.5 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.
- 14.6 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 14.7 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 Gary Sargeant.

Data processor

- 14.8 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.
- 14.9 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.
- 14.10 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.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- 14.11 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 14. Where cloud-based services are to be used you may be subject to our cloud services terms and conditions.
- 14.12 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 14.13 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.
- 14.14 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.

Data Processor – Additional Information

- (a) Subject matter of the processing
- The subject matter of the processing are the services to be provided, as set out in this engagement letter.
- (b) Duration of the processing/retention of records
- The duration of the processing will be as set out in our standard terms, and we destroy client files at least six years after we finish advising you but reserve the right to retain files longer in appropriate cases or where the law requires.
- (c) Nature and purpose of the processing
- The nature and purpose of the data processing is as set out in our standard terms.
- (d) Types of personal data to be processed (for example, names, addresses, dates of birth)
- personal data: as detailed in our standard terms;
 - special personal data: as detailed in our standard terms if relevant.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- (e) Categories of data subjects (those to whom the client data relates, e.g. client employees, client customers)
- Categories of data subjects: as detailed in our standard terms.
- (f) Obligations and rights of the client (as the data controller)
- Your obligations and rights are as set out in this engagement letter.

If you need to contact us about any data protection issue, please contact our office.

15 Limitation of Third-Party Rights

- 15.1 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.
- 15.2 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.

16 Client Identification

- 16.1 In common with other professional services firms, we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 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 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.
- 16.2 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.

- 16.3 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.
- 16.4 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.
- 17 Foreign Account Tax Compliance (FATCA) and Common Reporting Standards**
- 17.1 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 and Customs.
- 17.2 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.
- 18 General Limitation of Liability**
- 18.1 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 18.5 below, our liability to you shall be limited as set out in our engagement or other client letter.
- 18.2 You will not hold us, our principals 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, 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.
- 18.3 You agree that you will not bring any claim in connection with services we provide to you against any of our partners or employees personally.

18.4 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 for 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 spent in defending it and our legal fees on an indemnity basis.

18.5 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.

19 Intellectual Property Rights and Use of Our Name

19.1 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.

19.2 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.

20 Draft/Interim Work or Oral Advice

20.1 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.

21 Interpretation

21.1 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.

22 Internal Disputes with a Client

22.1 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

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

the directors/proprietors. 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.

23 Disengagement

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

24 Probate-type Services

- 24.1 As we are not licensed or authorised by the ICAEW for the reserved legal activity of non-contentious probate, any work we do for you on closely aligned activities, such as estate administration or inheritance tax advice, will not be covered by the ICAEW Probate Compensation Scheme and you will not have access to the Legal Ombudsman, nor is our advice covered by legal professional privilege.

25 Shadow Director

- 25.1 In accepting our appointment as professional advisor and accountants to you and your business, we will act solely in a professional advisory capacity. The advice we give whether written or verbal cannot be deemed to be that of a shadow director, nor will we be deemed to act in a management or executive capacity.

26 Retention of Title

- 26.1 For the purposes of this clause, any Information Technology hardware or software or related equipment is referred to as "equipment".
- 26.2 Any equipment supplied by us pursuant to the services we provide shall be at your risk once we have delivered it to you (and installed it at your premises).
- 26.3 Ownership of any such equipment referred to in paragraph 24.1 shall pass to you when we have received in full in cleared funds all sums due to us in respect of the equipment, the services and any other sums which may be due to us from you on any account.
- 26.4 Until ownership of such equipment has passed to you pursuant to paragraph 24.2, you shall:
- a) hold the equipment on a fiduciary basis as our bailee;
 - b) store the equipment (at no cost to us) in satisfactory conditions and separately from all your other equipment or that of a third party, so that it remains readily identifiable as our property;
 - c) not destroy, deface or obscure any identifying mark or packaging on or relating to the equipment; and

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSET WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- d) keep the equipment insured on our behalf for its full price against all risks to our reasonable satisfaction and hold the proceeds of such insurance on trust for us and not mix them with any other money, nor pay the proceeds into an overdrawn bank account.
- 26.5 Your right to possession of the equipment before ownership has passed to it shall terminate immediately if any of the circumstances set out in this paragraph 23 arise or if you encumber or in any way charge the equipment, or if you fail to make any payment to us on the due date.
- 26.6 You grant to us, our agents and employees, an irrevocable licence at any time to enter any premises where the equipment is or may be stored in order to inspect it, or where your right to possession has terminated, to remove it. All cost incurred by us in repossessing the equipment shall be borne by you.
- 26.7 On termination of this agreement or our appointment for any reason our (but not your) rights in this paragraph 23 shall remain in effect.
- 26.8 We may appropriate payments by you to such equipment or services as we think fit, notwithstanding any purported appropriation by you to the contrary, and may make such appropriation at any time.
- 27 Assignability**
- 27.1 We may at any time assign, sub-contract, or deal in any other manner with any of our rights and obligations under this agreement [provided that we give prior written notice of such dealing to] "You shall not assign, transfer, mortgage, charge sub-contract, delegate, declare a trust over, or deal in any other manner with any of your rights and obligations under this agreement
- 28 Agreement of Terms**
- 28.1 The terms set out in this contract shall take effect immediately upon your countersigning the specific terms of our engagement.
- 28.2 Once it has been agreed, this contract will remain effective until it is replaced.
- 28.3 We may use a Credit Reference Agency to undertake a search on you. By approving this agreement, you accept these terms.
- 28.4 Should we feel it appropriate to initiate legal action in order to recover otherwise outstanding fees, the reasonable costs incurred whilst trying to recover our fees will be passed to you and form and become part of the initial debt.

Yours faithfully



SARGEANT PARTNERSHIP LLP

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



ICAEW
CHARTERED
ACCOUNTANTS

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

I confirm that I (as a trustee of The Cottage Community) have read and understood the contents of this letter and agree that I will be personally liable (jointly and severally) for payment of the costs of Sargeant Partnership LLP incurred by The Cottage Community.



.....
DIRECTOR – D PUTMAN

21/12/2022

.....
DATE

For and on behalf of The Cottage Community

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



**ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

Our Ref: GAS/SJS/MGM/COT006/CAC

13 December 2022

Mr D Putman
The Cottage Community
100 Brands Hatch Park
Scratchers Lane
Fawkham
Kent
DA3 8PU

Dear Derek

**UNINCORPORATED CHARTY / CHARITABLE INCORPORATED ORGANISATION (CIO) : ACCRUALS:
INDEPENDENT EXAMINATION**

We are pleased to continue the appointment as independent examiners of your charity. The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisers to the unincorporated charity/CIO (the charity) in respect of the Independent examination you have requested us to carry out under the *Charities Act 2011* (ChA 2011) and to clarify our respective responsibilities in respect of that work.

Our firm will act as independent examiners with Joanne Brown acting as the independent examiner.

We are bound by the code of ethics 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 independent examination will be conducted on the basis that you acknowledged and understand that you have responsibility:

- a. To prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of the incoming resources and application of resources of the charity in that year in accordance with the Charities Act 2011 and regulations thereunder;
- b. In preparing the account and statement, to:
 - i. select suitable accounting policies and then apply them consistently;
 - ii. make judgements and accounting estimates that are reasonable and prudent; and

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



**ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

- iii. prepare the financial statements on the going concern basis, considering in particular the charity'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 activities of the charity will continue.
 - c. for ensuring that the charity maintains sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity. 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 charity and hence for taking reasonable steps to ensure the charity's activities are conducted honestly and for the prevention and detection of fraud and other irregularities.
- 1.2 You have a duty to prepare an annual report for each financial year complying in its form and content with the ChA 2011 and regulations thereunder. You are also required to have regard to the relevant Statement of Recommended Practice *Accounting and Reporting by Charities*, published jointly by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulators, and any subsequent amendments or variations to this statement.
- 1.3 You are responsible for ensuring that the charity 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 You are also responsible for determining whether, in respect of the year, the charity meets with conditions for exemption from an audit set out in Section 144 of the Charities Act 2011, namely that:
- a) the charity's gross income in the current year is more than £25,000, but not more than £500,000 in the current year for years ending before 31 March 2015 or £1m for years ending after this date;
 - b) the gross assets of the charity are less than £3.26 million; or where they exceed £3.26 million, gross income is less than £250,000;
 - c) no notice has been received from the Charity Commission requiring an audit.
- 1.5 If, in respect of the year, the charity satisfies the above criteria, the availability of the exemption from an audit of the financial statements is conditional upon your causing an independent examiners' report to be prepared in respect of the financial statements in accordance with Section 145 of the Charities Act 2011. You are responsible for deciding whether that report shall be made and for appointing us as independent examiners to make that report to the trustees of the charity.
- 1.6 If gross income falls to £25,000 or less for the year, then, provided the other criteria set out above are met, you will need neither an audit nor an independent examiner's report. However, if the charity is a CIO it will still need to file financial statements with the Charity Commission.

- 1.6 You have undertaken to make available to us, as and when required, all of the charity's accounting records and related information, including minutes of trustees' meetings and of all appropriate management meetings, necessary to carry out our work. You will make full disclosure to us of all relevant information.

2 Our Responsibilities as Independent Examiners

- 2.1 We shall plan our work on the basis that an independent examiner's report is required for the year, unless you inform us in writing that either:

- a. the charity requires an audit of the financial statements; or
- b. the charity requires neither an audit nor an independent examiner's report.

- 2.2 Should you instruct us to carry out an audit, then the terms of that assignment will be dealt with in a new engagement letter. Should you inform us that the charity requires neither an audit nor an independent examiner's report, then we shall have no responsibilities to the charity, except those specifically agreed upon between us in respect of other professional services.

- 2.3 As independent examiners, we have a statutory responsibility to report to the trustees of the charity whether, in our opinion, there is reasonable cause to believe that, in any material respect:

- a. sufficient records have not been kept, contrary to the requirements of Section 130 of the 2011 Act; or
- b. the financial statements do not agree with those accounting records; or
- c. the financial statements do not comply with any of the accounting requirements specified in the *Charities (Accounts and Reports) Regulations 2008* (SI 2008/629), Regulation 4 (or 5 for common investment funds or common deposit funds) and applicable accounting standards as stated in **Key Facts**, except to the extent necessary to show a true and fair view.

- 2.4 Should our work indicate that the charity is not entitled to exemption from an audit of the financial statements, then we will inform you of this. In such circumstances, we will not issue any report and will withdraw from the engagement to prepare an independent examiner's report, notifying you in writing of the reasons. In these circumstances, if appropriate, we will discuss with you the possibility of appointing us as auditors.

- 2.5 We have a professional responsibility not to allow our name to be associated with an account and statement that are, or may be, misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the account and statement are, or may be, misleading, if the matter cannot be adequately dealt with by means of qualifying our opinion (or by other appropriate modifications of the report), we will not issue any report. In such circumstances, we will withdraw from the engagement, and will notify you in writing of the reasons.

- 2.6 Under Section 156(2) of the Charities Act 2011 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 examination 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 Section 156(3) of the Charities Act 2011. In addition, under Section 156(4) if we become aware of any matter which does not require to be reported under Section 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.

3 Scope of Independent Examination

- 3.1 Our work as independent examiners will be carried out in accordance with guidance for such engagements issued by the Charity Commission. It will consist of comparing the financial statements with the accounting records kept by the charity and making such limited enquiries of the trustees and staff of the charity as we may consider necessary for the purpose of our report.
- 3.2 As part of our normal procedures, we may request you to provide written confirmation of any information or explanations provided by you orally during the course of our work.
- 3.3 Our work as Independent Examiners will not be an audit of the financial statements in accordance with International Standards on Auditing (UK). Accordingly, we will not obtain any independent evidence relating to entries in the accounting records, or to the amounts or disclosures in the financial statements. Consequently, our work as Independent Examiners will not provide any assurance that the accounting records or the financial statements are free from material misstatement whether caused by fraud, other irregularity or error.
- 3.4 Because we will not carry out an audit, nor otherwise confirm the sufficiency or reasonableness of the accounting records maintained by the charity, we will be unable to provide any assurance as to whether the financial statements that we prepare from those records give a true and fair view.

4 Other Services

- 4.1 There are many other areas where we can be of assistance and we shall be pleased to discuss any matters with you. These other services include:
- a. reports in support of returns or claims, e.g., insurance company certificates, government claims, etc.;
 - b. advice on financial matters;
 - c. management accounting, including such matters as cash flow statements, costing systems, etc., and advice on management;
 - d. advice on the selection and implementation of computer systems;

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW**
CHARTERED
ACCOUNTANTS

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- e. investigations for special purposes, e.g., acquisitions of other businesses, or examination of specific aspects of your business; and
- f. advice on the selection and recruitment of staff.

5 Limitation of Liability

- 5.1 We have discussed with you the extent of our liability to you in respect of the professional services described within this engagement letter (the professional services).
- 5.2 Having considered both your circumstances and our own, we have reached a mutual agreement that 10 times the fee excluding VAT charged for the work specified represents a fair maximum limit to our liability as a firm in the event of any one claim arising in respect of the professional services. This maximum total liability includes any claims for loss or damage, however caused, whether in respect of breaches of contract, tort (including negligence) or otherwise in respect of the professional services and shall also include all other related costs including legal fees, interest, etc.
- 5.3 We acknowledge that the limit in respect of our total aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its principals or employees.

6 Agreement of Terms

- 6.1 This engagement will start on 01/04/2021 with your accounts period ending on 31/03/2022.
- 6.2 We will also deal with matters arising in earlier years as appropriate.
- 6.3 This letter supersedes any previous engagement letter for the period covered. The terms set out in this letter and our Standard Terms of Business as available on our website shall take effect immediately upon your countersigning this letter and returning it to us. If we are instructed to start work before receiving a signed copy of this letter, we will treat that as acceptance of all the terms of this engagement letter, unless we hear from you to the contrary within 30 days of you giving that instruction.
- 6.4 You or we may agree to vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.
- 6.5 Once it has been agreed, this letter and the 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 this letter and the terms of business are not in accordance with your understanding of our terms of appointment, please let us know, or if you require a paper copy of our standard terms to be sent to you.
- 6.6 We may use a Credit Reference Agency to undertake a search on you. By signing this agreement, you accept these terms.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW**
CHARTERED
ACCOUNTANTS

REGISTERED TO CARRY ON ASSAULT WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

6.7 Should we feel it is appropriate to initiate legal action in order to recover otherwise outstanding fees, the reasonable costs incurred whilst trying to recover our fees will be passed to you and form part of the initial debt.

Yours faithfully



SARGEANT PARTNERSHIP LLP

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



.....
TRUSTEE – D PUTMAN

21/12/2022

.....
DATE

For and on behalf of The Cottage Community

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



**ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

Our Ref: GAS/SJS/MGM/COT006/CAC

13 December 2022

The Trustees
100 Brands Hatch Park
Scratchers Lane
Fawkham
Kent
DA3 8PU

Dear Sirs

CHARITY : OTHER SERVICES

We are pleased to continue our appointment as your accountants and advisers

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisers with regard to the production of the entity's financial statements on an accruals basis in accordance with applicable accounting standards, and to clarify our respective responsibilities in respect of that work.

The entity's financial statements will be prepared in accordance with the Charities SORP (FRS 102) accounting basis. We will then go on to either audit or perform an independent examination on those financial statements, or another firm will perform such work on the financial statements.

We will communicate with Derek Putman in relation to the entity's affairs having agreed with you that he/she may represent the entity in its financial affairs.

We are bound by the code of ethics 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 Accounting

Your Responsibilities

- 1.1 You have agreed that your staff will maintain all accounting records, except as detailed in paragraph 1.10 below.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



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 & WALES

- 1.2 You are responsible for ensuring that, to the best of your knowledge and belief, financial information, whether used by the entity or for the financial statements, is accurate and complete. You are also responsible for ensuring that the activities of the entity are conducted honestly, and for safeguarding the assets of the entity and for taking reasonable steps to ensure the prevention and detection of fraud.
- 1.3 You are responsible for ensuring that the entity complies with the laws and regulations that apply to its activities, and for preventing non-compliance and for detecting any that occurs.
- 1.4 You have agreed to make available to us, as and when required, all your accounting records and related financial information, including any minutes of directors/management meetings, necessary to carry out our work. You will provide us with all information and explanations relevant to the purpose and compilation of the financial statements, and you will disclose to us all relevant information in full.
- 1.5 You will approve and sign the financial statements thereby acknowledging responsibility for them, including the appropriateness of the accounting basis on which they are compiled, and for providing us with all information and necessary explanations necessary for their compilation.
- 1.6 Financial statements need to be completed prior to submission of the tax return. Failure to submit the return on time will result in penalties and is likely to result in interest and surcharges. In order to avoid this, we must have your accounting records in an appropriate time frame, and queries raised on those accounting records must be answered promptly, otherwise we cannot guarantee the completion of the accounts to ensure the tax return's timely submission.

Our Responsibilities as Accountants

- 1.7 The financial statements are required to enable profits to be calculated to meet the requirements of the relevant tax legislation and that provide sufficient and relevant information to complete a tax return.
- 1.8 We will compile the financial statements for your approval based on the accounting records that you maintain and the information and explanations that you give us.
- 1.9 If the entity is a company or LLP and qualifies under CA06, S. 444(1), to file only the balance sheet and associated notes at Companies House, it is assumed that the company/LLP wishes to file the minimum information at Companies House. Therefore, the financial statements for filing purposes will be prepared on that basis unless you inform us otherwise.
- 1.10 It is agreed that we shall perform no bookkeeping services.
- 1.11 We will write to you on or around your year-end date to request the information and records we will need to prepare the accounts.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

SARGEANT PARTNERSHIP LLP IS A LIMITED LIABILITY PARTNERSHIP REGISTERED IN ENGLAND AND WALES (NUMBER 06430251). REGISTERED OFFICE: 5 WHITE OAK SQUARE, LONDON ROAD, SWANLEY, KENT BR8 7AG WHERE A LIST OF MEMBERS CAN BE INSPECTED.

- 1.12 Unless stated, we will not be carrying out an audit and accordingly will not verify the assets and liabilities of the entity, nor the items of expenditure and income. To carry out an audit would require additional work to comply with International Standards on Auditing (UK and Ireland) so that we could report on the truth and fairness of the accounts.
- 1.13 We would emphasise that we cannot undertake to discover any shortcomings in your systems or any irregularities on the part of your employees, although we will advise you of any such circumstances that we encounter in preparing your accounts.
- 1.14 We have a professional duty to compile financial information that conform with the generally accepted accounting principles selected by the directors as being appropriate for the purpose for which the information is prepared. The accounting basis on which the information has been compiled, its purpose and limitations will be disclosed in an accounting policy note to the financial information and will be referred to in the accountants' report.
- 1.15 We also have a professional responsibility not to allow our name to be associated with financial information which we believe may be misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial information may be misleading, we will discuss the matter with you with a view to agreeing appropriate adjustments and/or disclosures in the financial information. In circumstances where adjustments and/or disclosures that we consider appropriate are not made or where we are not provided with appropriate information, and as a result we consider that the financial information is misleading, we will withdraw from the engagement. In these circumstances you agree that we have a right to invoice you for our time spent preparing and discussing the accounts with you and for time spent on any other work that is not completed as a result of our resignation.
- 1.16 To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you for our work or for the report. If you wish, or are asked, to provide a copy of the financial statements to a third party you must seek our consent before you do this. You are not entitled to disclose our work to a third party without our express permission.

2 Direct Taxation (where relevant)

- 2.1 The charity is exempt from tax on all sources of its income. You have not asked us to become involved in the reclaiming of any income tax or gift aid due to the charity. We will, however, be pleased to advise on any taxation matters referred to us.
- 2.2 You are responsible for notifying HM Revenue and Customs if the charity is no longer exempt from tax on all sources of its income. You agree that you will also notify us of this at the same time.

3 Payroll, Real Time Information (RTI) Reporting, Year End Returns and Auto-enrolment

- 3.1 You have not asked us to become involved in your PAYE system. Should you require it we can offer advice on the operation of all aspects of wages and PAYE.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



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 & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

3.2 You take full responsibility for your compliance with the requirements of the auto-enrolment regime for workplace pensions, and we are to do nothing to assist you in this regard.

3.3 We will be pleased to advise on any other taxation matters referred to us.

4 Value Added Tax (VAT)

4.1 At the time of this letter the charity is not VAT registered. If registration becomes necessary, we will endeavour to ensure that you register in time provided that:

- a. you notify us in writing within 14 days of the end of each month of the total value of supplies you have made in that month; and
- b. you notify us immediately in writing if the value of taxable supplies that you are likely to make in the 30 days following notification will exceed the registration limit then in force.

5 Secretarial

Your Responsibilities

5.1 A charity, other than an exempt or excepted charity, is required to file financial statements with the Charity Commission within ten months of the year end. In addition, you need to submit online the annual return, for which you need to supply us with the following details:

- (a) the charity's bank or building society details, if not already known;
- (b) if required and not prepared by us, the charity's financial statements and trustees' annual report in PDF format;
- (c) contact details, or any changes thereto;
- (d) the names, dates of birth and contact details for each trustee, or changes thereto; and
- (e) any other changes that need to be submitted to the Charity Commission, such as change of charity name or the merger with another charity.

Our Responsibilities

5.2 We have agreed to submit online to the Charity Commission:

- (a) the financial statements;
- (b) the annual return; and

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12

 **ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

SARGEANT PARTNERSHIP LLP IS A LIMITED LIABILITY PARTNERSHIP REGISTERED IN ENGLAND AND WALES (NUMBER 06430251). REGISTERED OFFICE: 5 WHITE OAK SQUARE, LONDON ROAD, SWANLEY, KENT BR8 7AG WHERE A LIST OF MEMBERS CAN BE INSPECTED.
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- (c) update any other information which can be submitted online, provided that you keep us fully informed of any relevant changes or events which are required to be so notified within one week of the change or event.

5.3 We will of course, be pleased to advise you on these and any other secretarial matters if requested.

6 Other Services

6.1 There are many other areas where we can be of assistance and we shall be pleased to discuss any matters with you. These other services include:

- a. reports in support of returns or claims, e.g., insurance company certificates, government claims, etc;
- b. advice on financial matters;
- c. management accounting, including such matters as cash flow statements, costing systems, etc., and advice on management;
- d. advice on the selection and implementation of computer systems;
- e. investigations for special purposes, e.g., acquisitions of other businesses, or examination of specific aspects of your business; and
- f. advice on the selection and recruitment of staff.

7 Limitation of Liability

7.1 We have discussed with you the extent of our liability to you in respect of the professional services described within this engagement letter (the professional services).

7.2 Having considered both your circumstances and our own, we have reached a mutual agreement that 10 times the fee excluding VAT charged for the work specified, represents a fair maximum limit to our liability as a firm in the event of any one claim arising in respect of the professional services. This maximum total liability includes any claims for loss or damage, however caused, whether in respect of breaches of contract, tort (including negligence) or otherwise in respect of the professional services and shall also include all other related costs including legal fees, interest, etc

7.3 We acknowledge that the limit in respect of our total aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its trustees or employees.

8 Agreement of Terms

8.1 This engagement will start with your accounts period ending on 31/03/2022.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

- 8.2 We will also deal with matters arising in earlier years as appropriate.
- 8.3 This letter supersedes any previous engagement letter for the period covered. The terms set out in this letter and our Standard Terms of Business as available on our website shall take effect immediately upon your countersigning this letter and returning it to us. If we are instructed to start work before receiving a signed copy of this letter, we will treat that as acceptance of all the terms of this engagement letter, unless we hear from you to the contrary within 30 days of you giving this instruction.
- 8.4 You or we may agree to vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.
- 8.5 Once it has been agreed, this letter and the 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 this letter and the terms of business are not in accordance with your understanding of our terms of appointment, please let us know, or if you require a paper copy of our standard terms to be sent to you.
- 8.6 We may use a Credit Reference Agency to undertake a search on you. By signing this agreement, you accept these terms.
- 8.7 Should we feel it is appropriate to initiate legal action in order to recover otherwise outstanding fees, the reasonable costs incurred whilst trying to recover our fees will be passed to you and form part of the initial debt.

Yours faithfully



SARGEANT PARTNERSHIP LLP

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



.....
TRUSTEE – D PUTMAN

21/12/2022

.....
DATE

For and on behalf of The Cottage Community

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



ICAEW
CHARTERED
ACCOUNTANTS

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

Appendix 1

Charge Out Rates Current at 01 November 2022

Partner	£165 - £240
Tax Associate	£180 - £240
VAT Consultant	£96 - £156
Client Manager	£88 - £145
I.T. Manager	£78
Tax	£46 - £108
Accounts/Audit - Senior/Semi Senior	£63 - £97
Company Secretarial	£60 - £114
Bookkeeping	£21 - £45
Payroll	£50 - £122
Accounts/Audit - Trainee	£21 - £45

All Charge Out Rates are quoted per hour net of V.A.T.

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



**ICAEW
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 & WALES

SARGEANT PARTNERSHIP LLP IS A LIMITED LIABILITY PARTNERSHIP REGISTERED IN ENGLAND AND WALES (NUMBER 0C430254). REGISTERED OFFICE: 5 WHITE OAK SQUARE, LONDON ROAD, SWANLEY, KENT BR8 7AG WHERE A LIST OF MEMBERS CAN BE INSPECTED.
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.

GOOD SERVICE GUARANTEE


- We Promise** - That we will produce your accounts within any time limit previously agreed in writing, provided that you supply us with all of the information that we need on time.
- We Promise** - To deal with all telephone calls promptly. All calls will be returned quickly. If the member of staff you normally deal with is not available, we will always endeavour to put you through to the relevant person who can deal with your query.
- We Promise** - To deal with all correspondence from yourselves, and any correspondence relating to your affairs as quickly as possible.
- We Promise** - To give you clear, easy to understand advice, help and explanations.
- We Promise** - To deal with your affairs confidentially.
- We Promise** - That we will provide a level of service and care which makes you want to continue to use us.
- We Promise** - That we will be professional, punctual, helpful and courteous in our dealings with you at all times.
- We Promise** - That we will make it our business to learn about your requirements and needs, and be prepared to adapt our business to meet them.
- We Promise** - That if you are unhappy with any aspect of the way we have dealt with your affairs, on request, a partner will review your complaint and report back to you promptly and free of charge.



GARY SARGEANT



ELAINE PAVIS



JOANNE BROWN



JOANNE SPRY

SARGEANT PARTNERSHIP LLP
5 WHITE OAK SQUARE, LONDON ROAD
SWANLEY, KENT BR8 7AG

**CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS**

T: 01322 614681 F: 01322 613290
E: INFO@SARGEANTPARTNERSHIP.COM
W: WWW.SARGEANTPARTNERSHIP.COM

PARTNERS: G SARGEANT FCA, E PAVIS FCA MAAT, J BROWN FCCA, J SPRY FCCA
TAX ASSOCIATE: I GREGORY
VAT REGISTRATION NO. 474 7366 12



**ICAEW
CHARTERED
ACCOUNTANTS**

REGISTERED TO CARRY ON ASSIST WORK IN THE UK AND REGULATED
FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE
OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES
WE USE THE WORD "PARTNER" TO REFER TO A MEMBER OF THE LLP.