

Common Wealth Theatre
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

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COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

J F Evans
J S Hughes, Vice Chair
A J Khan
L R Maguire
L M Mallaghan, Chair
E Manning
G B Moriarty (resigned 7 December 2020)
R White
M H Z Ahmed (appointed 23 March 2021)
J O Morais (appointed 7 December 2020)

**Company registered
number**

07799494

**Charity registered
number**

1185967

Registered office

14 North Parade
Bradford
West Yorkshire
BD1 3HT

Accountants

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their Annual Report together with the financial statements of Common Wealth Theatre for the year 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

Common Wealth's objects are:

- 1) The advancement of the arts for the public benefit, with particular but not exclusive reference to the performing arts and:
- 2) To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society in particular but not exclusively by providing:
 - a) Opportunities to understand their own lived experience and that of the community around them and:
 - b) Public spaces to share those experiences either formally or informally to encourage society's better understanding and acceptance of those who are currently excluded. For the purpose of this clause means being excluded from society, or parts of society as a result of one or more of the following factors: unemployment, financial hardship, youth or old age, ill health (physical or mental), substance abuse or dependency including alcohol and drugs, discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment, poor educational or skills attainment, relationship and family breakdown, poor housing (that is housing that does not meet basic habitable standards), crime (either as a victim of crime or as an offender rehabilitating into society).

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

In order to achieve our objectives we collaborate with people new to the arts and established artists to create high-quality and experimental theatre where personal experience is championed, respected and valued. Our vision is a society where people normally underrepresented are valued and championed in the arts and all walks of life.

Our values are expressed in our name Common Wealth which points to the wealth of experience, stories and imagination in places and communities often dismissed as poor or in need of cultural development. In being common and in common with our audiences we create riches to share.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Common Wealth undertakes four main activities in order to achieve its objectives:-

- 1) We create high quality, multi-disciplinary, experimental theatre where process is as important as form.
- 2) We facilitate meaningful, creative experiences for working class people as protagonists, audience, performers and participants.
- 3) We collaborate and share our practice with arts and non-arts partners nationally and internationally with the aim of being a leader in socially engaged practice.
- 4) We strengthen our organisation as a relevant, sustainable and equitable arts organisation operating in the UK.

d. Main activities undertaken to further the Charity's purposes for the public benefit

Prioritising and reinventing access and engagement is at the heart of all of Common Wealth's activity and explains why our purposes are for public benefit.

We believe in art for everyone in the genuine sense and work to change the profile of who is engaged in decision-making, artistic production and performance in the arts. We recognise the importance of process and co-create theatre with our communities in order to drive positive social change.

The Warwick Report showed us that only 8% of the population access the arts, and these are generally people who are white, middle class and older. This means that usually the best educated and wealthiest in society are benefiting from the arts. We want to push for change in an industry that undervalues and distances itself from working class people, culturally, socially and economically.

We place huge value on long term partnerships with the voluntary and charity sector. We see theatre as a vital part of the public realm, and we start every new venture by engaging people who are the experts of the subjects we are exploring. This includes members of the public and staff in social services, health, police, unions and community centres.

While tickets are available to everyone, we work hard to ensure that people who face additional barriers to seeing theatre are able to see our work. We heavily discount tickets so that people on low incomes are able to purchase tickets at a fraction (10%) of the face value and we invite community groups who have charitable purposes which are linked to the subject of the performances, to attend for free.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

a. Main achievements of the Charity

Key highlights include

- Creating Cardiff based photography exhibition, *Us Here Now*
- Delivering Bradford based photography exhibition, *Sisterhood*
- Producing Speakers Corner exhibition, *Justice in Kashmir is Justice Here*
- Acquiring and refurbishing Bradford based, *Common Space*
- Continuing research, development and rehearsals for three shows which are now scheduled for 2021-22; *Peaceophobia*, *Rent Party* and *Me Too What Next*.
- Delivering online international arts festival, *Future is Here*
- Being dramaturgical mentors on *Svidanka* with the New Theatre Institute of Latvia
- Hosting 24 workshops and events for 2,484 participants
- Establishing *Cardiff East Sounding Board* as part of Moving Roots Touring Network
- Providing opportunities for 10 employees and 70 freelance creative professionals.
- Creating employment opportunities and pathways for young people who are under-represented in the arts through Weston Jerwood Creative Bursaries in Cardiff and our apprenticeship scheme in Bradford.
- Building a board which is more inclusive and representative of the cities we live in – we have actively recruited young board members and board members with Welsh language skills
- Building financial resilience and increasing both restricted and unrestricted reserves to levels appropriate for an organisation of our size and complexity.
- Continuing to increase and diversify income streams – we successfully applied for new grants from Arts Council Wales, Jerwood Arts, Manjit Wolstenholme, Sport England, Groundworks.
- Being awarded a rating of outstanding for diversity by Arts Council England for the second year in a row
- Being consortium members of key contributors to the wider cultural ecology in our cities, notably Bradford Producing Hub and Moving Roots Touring Network in Cardiff.
- Providing an estimated 70 hours of mentoring time to individuals and organisations

All of the above were achieved during a year containing a global pandemic, during which restrictions and guidelines were constantly changing.

More information on our key projects for 2021-22 follows:-

Us Here Now

Us Here Now is a celebration of people in Cardiff East; their stories and their power. It is a journey into what it means to be seen and heard; a challenge to negative narratives that can surround us. The exhibition brought a smile to many at a time when we are not allowed to gather; a reminder that we are not alone.

The exhibition was created with photographer Jon Pountney and 12 larger than life photographs exhibited outdoors, next to a busy Tesco store and local GP surgery between November 2020 and April 2021. Daily footfall in this area is estimated to be 5,000 (based on Tesco store footfall of 5,000 per day, we estimate that over 5 months the exhibition was viewed 755,000 times.

We worked with RedBrck films to create an 8 minute documentary about the people and the stories behind *Us Here Now*. This has been viewed 3,300 times on YouTube - and was received extremely well on social media.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Sisterhood

Speakers Corner collaborated with Art Director Neesha Champaneria and photographer Vivek Vadoliya to create a vivid set of photographs, celebrating sisterhood and the individuality of young Bradford women. The photoshoot took place in and around Bradford in 2020 and a sample of images were selected for Sisterhood, an exhibition delivered in partnership with Bradford Metropolitan District Council for International Women's Day and on exhibition in Lister Park and prominent billboards around the city. Sisterhood attracted an extremely wide variety of high profile press from politics (Middle East Eye) to fashion (The Face) to photography (British Photographic Journal).

We estimate that over the course of March 2021 that the images were viewed 12,400 times in Lister Park and an additional 2.5 million times by drivers passing three of the exhibition's photos displayed on billboards around the city.

Speakers Corner Justice in Kashmir is Justice Here

Speakers Corner worked together to create a campaign to raise awareness and commemorate the 30th anniversary of the mass rape at Kunan Poshpora in Kashmir on the 23rd February 2021. The collective created a comic strip with 18 year old artist Haniyya Ejaz and 15 year old poet Noor Jahangir that tells the story of the mass rape and the 30 year struggle for justice. The comic strip was displayed on billboards, shop windows and throughout Bradford for the anniversary and accompanied by a film and poem exhibited online.

This exhibition was displayed alongside Sisterhood on Wakefield Road for a one month period and was seen an estimated 980,000 times.

Common Space

In August 2020 Common Wealth moved into its new home in Bradford, a meanwhile space housed in a former youth employment centre. The space has been fully refurbished and Common Space will house two small theatre stages with sound and lighting rigs, a music studio ran by All Stars Entertainment, an exhibition space, a big workshop table for banquets and banner making, meeting spaces, a prayer room, a rehearsal room and the new home for Speakers Corner as well as our Bradford office.

Common Space is set to open formally in June 2021, and will be open to all – artists, community groups, activists, theatre companies, young people. The space will be a public, shared, common resource.

Financial review

a. Going concern

The Trustees have considered the impact of Covid-19 on the Charity's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have plans in place to deal with and mitigate any financial losses that may arise. Such plans included but are not limited to utilising the support that has been made available by the government in relation to staff costs. The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

b. Reserves policy

Common Wealth Theatre is committed to building an appropriate level of reserves for the organisation's needs. The appropriate level of reserves is estimated to be a minimum of three months' and a maximum of six months' operating costs.

Based on current levels of expenditure, this means that the organisation is committed to building and maintaining reserves of between £42,000 and £84,000.

Structure, governance and management

a. Constitution

Common Wealth Theatre was incorporated on 6 October 2011. It subsequently obtained charitable status and was registered with the Charity Commission on 24 October 2019. It is a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

There must be a minimum of three trustees at all times and there is no specified maximum. The Charity Commission has granted approval for Co-Artistic Directors, Evie Manning and Rhiannon White to be both Trustees and remunerated employees and whilst this is the case there will always be a minimum of five trustees on the board in order that the number of other trustees exceeds that of paid employees at all times. Policies and procedures are in place to ensure that all conflicts of interest are properly managed.

A trustee holds office for three years from the date of appointment at the end of which they may be reappointed for a further term or terms up to a maximum of nine consecutive years. Board members are selected for their skills and experience but also with a view to having a board that is diverse, balanced and representative of the communities we work within.

COMMON WEALTH THEATRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:


L. Mallaghan (Jun 14, 2021 12:53 GMT+1)

L Mallaghan



J Hughes

Date: Jun 14, 2021

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Common Wealth Theatre ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the Charity (and 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 Charity 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 the Charity's accounts 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

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Charity 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: Jun 14, 2021

Lesley Kendrew

FCA

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Charitable activities	3	134,292	191,901	326,193	408,475
Total income		134,292	191,901	326,193	408,475
Expenditure on:					
Charitable activities	4	112,300	175,337	287,637	301,312
Total expenditure		112,300	175,337	287,637	301,312
Net income before taxation		21,992	16,564	38,556	107,163
Taxation		12,903	-	12,903	12,000
Net movement in funds		34,895	16,564	51,459	119,163
Reconciliation of funds:					
Total funds brought forward		42,591	103,716	146,307	27,144
Net movement in funds		34,895	16,564	51,459	119,163
Total funds carried forward		77,486	120,280	197,766	146,307

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 30 form part of these financial statements.

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07799494

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	15,694	8,893
		15,694	8,893
Current assets			
Debtors	10	49,619	12,000
Cash at bank and in hand		158,512	128,748
		208,131	140,748
Creditors: amounts falling due within one year	11	(26,059)	(3,334)
Net current assets		182,072	137,414
Total assets less current liabilities		197,766	146,307
Net assets excluding pension asset		197,766	146,307
Total net assets		197,766	146,307
Charity funds			
Restricted funds	12	120,280	103,716
Unrestricted funds	12	77,486	42,591
Total funds		197,766	146,307

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07799494

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


L. Mallaghan (Jun 14, 2021 12:53 GMT+1)

L Mallaghan



J Hughes

Date: Jun 14, 2021

The notes on pages 12 to 30 form part of these financial statements.

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Common Wealth Theatre is a private company limited by guarantee incorporated in England and Wales. The registered office is 14 North Parade, Bradford, West Yorkshire, England, BD1 3HT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Common Wealth Theatre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have considered the impact of Covid-19 on the Charity's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have plans in place to deal with and mitigate any financial losses that may arise. Such plans included but are not limited to utilising the support that has been made available by the government in relation to staff costs. The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within income from charitable activities. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

2.6 Taxation

The Charity is considered to pass the tests set out in Sch. 6, para. 1 of the *Finance Act 2010* and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the *Corporation Tax Act 2010* or s. 256 of the *Taxation of Chargeable Gains Act 1992*, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33% straight line
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Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

COMMON WEALTH THEATRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grants received	126,668	130,739	257,407
Commissions and Performances	-	17,500	17,500
Box Office income	-	-	-
Workshops and Events Delivery	5,988	2,283	8,271
Other project income	1,636	8,438	10,074
Coronavirus Job Retention Scheme	-	32,941	32,941
	134,292	191,901	326,193

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grants received	139,289	161,461	300,750
Commissions and Performances	7,650	62,500	70,150
Box Office income	3,454	-	3,454
Workshops and Events Delivery	5,562	-	5,562
Other project income	2,959	25,600	28,559
	158,914	249,561	408,475

COMMON WEALTH THEATRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Theatre activities	112,300	175,337	287,637
	<u> </u>	<u> </u>	<u> </u>
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Theatre activities	155,467	145,845	301,312
	<u> </u>	<u> </u>	<u> </u>

5. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Theatre activities	203,775	83,862	287,637
	<u> </u>	<u> </u>	<u> </u>
	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Theatre activities	214,960	86,352	301,312
	<u> </u>	<u> </u>	<u> </u>

COMMON WEALTH THEATRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Theatre activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	125,317	125,317	109,857
Artist fees	3,153	3,153	22,908
Design, build set and props	6,095	6,095	14,651
Sound and lighting design	3,500	3,500	8,197
Insurance	1,028	1,028	1,707
Per diem - expense allowances	225	225	1,539
Room hire	-	-	4,963
Workshop and training	2,446	2,446	4,801
Production team	60,943	60,943	20,069
Production travelling expenses	1,068	1,068	26,268
	<hr/> 203,775 <hr/>	<hr/> 203,775 <hr/>	<hr/> 214,960 <hr/>

COMMON WEALTH THEATRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Theatre activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	40,628	40,628	33,467
Depreciation	4,374	4,374	2,913
Travelling expenses	161	161	14,395
Filming and photography	1,066	1,066	299
Advertising	-	-	225
Promotions and exhibitions	699	699	1,673
Staff recruitment costs	-	-	90
Rent	7,124	7,124	8,807
Postage, courier and delivery charges	65	65	55
Legal and professional fees	8,266	8,266	6,567
Digital campaign consultancy fees	2,262	2,262	4,603
Bank charges	167	167	332
Bad and doubtful debts	-	-	1,722
Stationery and computer expenses	2,946	2,946	3,265
Telephone	1,801	1,801	1,696
Premises expenses	5,498	5,498	1,693
Sundry expenses	1,206	1,206	410
Governance costs	7,599	7,599	4,140
	83,862	83,862	86,352

6. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £2,050 (2020 - £2,050).

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Staff costs

	2021	2020
	£	£
Wages and salaries	155,228	132,375
Social security costs	7,913	8,244
Contribution to defined contribution pension schemes	2,804	2,705
	165,945	143,324

The average number of persons employed by the Charity during the year was as follows:

	2021	2020
	No.	No.
Total (including directors)	8	6

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company comprises of three members of the senior leadership team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charitable company was £103,841 (2019 - £101,158).

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£	£
E Manning	Remuneration	33,120	31,334
R White	Remuneration	29,503	31,364

During the year ended 31 March 2021, expenses totalling £698 were reimbursed or paid directly to three Trustees (2020 - £3,858).

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 April 2020	12,748
Additions	11,175
	<hr/>
At 31 March 2021	23,923
	<hr/>
Depreciation	
At 1 April 2020	3,855
Charge for the year	4,374
	<hr/>
At 31 March 2021	8,229
	<hr/>
Net book value	
At 31 March 2021	15,694
	<hr/> <hr/>
<i>At 31 March 2020</i>	8,893
	<hr/> <hr/>

10. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	41,668	-
Other debtors	7,951	-
Tax recoverable	-	12,000
	<hr/>	<hr/>
	49,619	12,000
	<hr/> <hr/>	<hr/> <hr/>

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	7,033	422
Other taxation and social security	2,735	-
Other creditors	11,331	-
Accruals and deferred income	4,960	2,912
	26,059	3,334

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 March 2021 £
Unrestricted funds					
Balance brought forward	27,144	-	-	-	27,144
Arts Council England National Portfolio Funding - Core Element	-	115,668	(107,624)	-	8,044
City of Bradford Metropolitan District Council Arts and Culture Investment Fund	-	6,000	(4,676)	-	1,324
Theatre Tax Relief	12,000	-	-	12,903	24,903
Miscellaneous Earned income - workshop, events and box office income	3,447	7,624	-	-	11,071
City of Bradford Discretionary Grant	-	5,000	-	-	5,000
	42,591	134,292	(112,300)	12,903	77,486
Restricted funds					
Arts Council England National Portfolio Funding - Main Production Element	-	25,000	(25,000)	-	-
Arts Council England National Portfolio Funding - R&D Element	7,000	7,000	(7,783)	-	6,217
Paul Hamlyn Foundation Breakthrough Fund	33,939	-	(27,351)	-	6,588
Battersea Arts Centre, Moving Roots Touring Network	12,609	20,400	(19,927)	-	13,082
Northern Stage Commission of Production, I Have Met The Enemy	14,091	-	-	-	14,091
Southbank Centre, Commission of Production, I Have Met The Enemy	2,000	-	-	-	2,000
Chapter Arts, Cardiff, Commission of Production, I Have Met The Enemy	4,000	-	-	-	4,000

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 March 2021 £
Chapter Arts, Cardiff, Contribution towards Production, The Sea is Mine	3,000	-	(818)	-	2,182
Pears Foundation - Grant for Speakers Corner activity towards Production, Peaceophobia	7,500	-	(7,500)	-	-
Battersea Arts Centre, Co- creating Change Grant towards Production, Peaceophobia	12,000	-	(12,000)	-	-
Jerwood Fellowship - income from WJCB, NTW, and MRTN	-	12,168	(2,807)	-	9,361
Bradford 2025 - Main Production - Peaceophobia	-	12,000	-	-	12,000
Fuel - Main Production - Peaceophobia	-	5,500	-	-	5,500
Awards for All, Radical Acts	2,577	-	(300)	-	2,277
Bradford Producing Hub Consortium Fee	5,000	5,000	-	-	10,000
Other restricted funds	-	43,060	(35,846)	-	7,214
Sport England Swim with Speakers	-	9,180	-	-	9,180
ESF Groundworks - Cultural Ecology Project	-	7,713	(1,000)	-	6,713
ACW Covid Response Fund	-	35,005	(35,005)	-	-
Manjit Wolstenholme - Grant Speakers Corner	-	9,875	-	-	9,875
	103,716	191,901	(175,337)	-	120,280
Total of funds	146,307	326,193	(287,637)	12,903	197,766

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Taxation £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds					
Balance brought forward	27,144	-	-	-	27,144
Arts Council England National Portfolio Funding - Core Element	-	113,000	(113,000)	-	-
Arts Council England Balance B/fwd from prior years	-	20,289	(20,289)	-	-
City of Bradford Metropolitan District Council Arts and Culture Investment Fund	-	6,000	(6,000)	-	-
Theatre Tax Relief	-	-	-	12,000	12,000
Manchester Histories Commission - Peterloo From The Crowd Artistic Director Fee	-	7,650	(7,650)	-	-
Miscellaneous Earned income - workshop, events and box office income	-	11,975	(8,528)	-	3,447
	<u>27,144</u>	<u>158,914</u>	<u>(155,467)</u>	<u>12,000</u>	<u>42,591</u>

Restricted funds

Arts Council England National Portfolio Funding - Main Production Element	-	25,000	(25,000)	-	-
Arts Council England National Portfolio Funding - R&D Element	-	7,000	-	-	7,000
Paul Hamlyn Foundation Breakthrough Fund	-	109,580	(75,641)	-	33,939
Battersea Arts Centre, Moving Roots Touring Network	-	20,601	(7,992)	-	12,609
Northern Stage Commission of Production, I Have Met The Enemy	-	41,500	(27,409)	-	14,091

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Taxation £</i>	<i>Balance at 31 March 2020 £</i>
Southbank Centre, Commission of Production, I Have Met The Enemy	-	2,000	-	-	2,000
Chapter Arts, Cardiff, Commission of Production, I Have Met The Enemy	-	4,000	-	-	4,000
Chapter Arts, Cardiff, Contribution towards Production, The Sea is Mine	-	3,000	-	-	3,000
Pears Foundation - Grant for Speakers Corner activity towards Production, Peaceophobia	-	7,500	-	-	7,500
Battersea Arts Centre, Co- creating Change Grant towards Production, Peaceophobia	-	12,000	-	-	12,000
Seedbed, Speakers Corner Activity	-	5,000	(5,000)	-	-
NHS, Speakers Corner refurbishment	-	1,292	(1,292)	-	-
NHS, Speakers Corner activity	-	1,722	(1,722)	-	-
Awards for All, Radical Acts	-	4,366	(1,789)	-	2,577
Bradford Producing Hub Consortium Fee	-	5,000	-	-	5,000
	-	249,561	(145,845)	-	103,716
Total of funds	27,144	408,475	(301,312)	12,000	146,307

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 March 2021 £
General funds	42,591	134,292	(112,300)	12,903	77,486
Restricted funds	103,716	191,901	(175,337)	-	120,280
	<u>146,307</u>	<u>326,193</u>	<u>(287,637)</u>	<u>12,903</u>	<u>197,766</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Taxation £	Balance at 31 March 2020 £
General funds	27,144	158,914	(155,467)	12,000	42,591
Restricted funds	-	249,561	(145,845)	-	103,716
	<u>27,144</u>	<u>408,475</u>	<u>(301,312)</u>	<u>12,000</u>	<u>146,307</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Fund details

Common Wealth Theatre receives funding from a wide variety of sources. All items over £5,000 are explained in more detail below. Diversifying our income streams and working with a wide range of funders remains the way in which Common Wealth Theatre maintains financial stability. It means we are able to respond to different opportunities and build long-term relationships and become operationally and financially resilient.

Arts Council England National Portfolio Funding

Common Wealth Theatre entered the Arts Council England National Portfolio for the first time in 2018. We were awarded £145,000 income per annum which was uplifted by 2% inflationary increase to £147,668 in 2020-21. This is allocated as follows: £115,668 towards core costs, £25,000 towards our main annual production (2020-21 Peaceophobia) and £7,000 to fund the research and development (R&D) of a new production (2020-21 Me Too What Next). £115,668 core income is treated as unrestricted, whilst the £25,000 main production income and £7,000 R&D income is considered restricted. This ensures that a guaranteed level of income is ringfenced year on year for artistic expenditure. This level of funding is secured for a period of 5 years from 1 April 2018 to 31 March 2023.

Paul Hamlyn Foundation Breakthrough Fund

In 2018, Co-Artistic Directors Evie Manning and Rhiannon White were awarded the Paul Hamlyn Breakthrough Fund in the total sum of £315,000 originally for the three year period 2018-2021. With Paul Hamlyn's approval we now estimate that this grant will be drawn down over a five year period 2018-2023. This grant is a responsive fund which offers transformational support to talented individuals through their organisations at a key point in their careers. The amount of funding drawn down varies from year to year. Once received, all income is treated as restricted as it is drawn down for a specific and pre-approved purpose.

City of Bradford Metropolitan Borough Council Arts and Culture Investment Fund

Common Wealth Theatre receives £6,000 per annum from Bradford Council for its contribution to arts and culture in the Bradford district.

Battersea Arts Centre Moving Roots Touring Network

Common Wealth Theatre is one of four producing partners working with Battersea Arts Centre on the Moving Roots Touring Network. This was originally a three year project running from 1 September 2019 to 31 August 2022 which has now been extended by six months due to the impact of Covid19. The principal element of the grant is a producing fee in the sum of £20,000 per annum. Additional income is received to cover expenses, facilitation and legacy projects.

Northern Stage Commission - I Have Met The Enemy (and the enemy is us)

Common Wealth Theatre received a fee of £20,000 for development and £21,500 towards the staging of I Have Met The Enemy (and the enemy is us) from Co-Producer, Northern Stage in 2019-20. We had anticipated that the remaining £14,091 would be used for the tour of the show in 2020-21. However due to Covid19 the tour of the show has been postponed until 2022-23.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Pears Foundation

Common Wealth Theatre received £7,500 in 2019-20 as a contribution towards the Speakers Corner activity on the development of 2020-21 show, Peaceophobia. This was spent in 2020-21 and contributed mainly towards the artistic and creative time on the Sisterhood photography project which was exhibited in 2020-21 and will accompany the tour of the Peaceophobia show in 2021-22.

Battersea Arts Centre Co-Creating Change Fund

In 2019-20 Common Wealth Theatre was awarded £15,000 from Battersea Arts Centre Co-Creating Change fund as a contribution towards the development of 2020-21 show, Peaceophobia. £12,000 was received in that year with the remaining £3,000 to be received on completion of the project in 2021-22. These funds have been paid directly to Fuel, Producers of Peaceophobia.

Bradford 2025

Bradford 2025 have provided a £20,000 commission towards the development and initial Bradford run of Peaceophobia. £12,000 was received in 2020-21 and a further £8,000 is due on opening of the show in September 2021.

Bradford Producing Hub

Common Wealth Theatre is one of six consortium members on the Bradford Producing Hub. This is a four year project funded by Arts Council England to build producing capacity within the city. We receive a fee of £5,000 per year for our contribution on the project. Two years of fees totalling £10,000, have been accumulated by the end of March 2021 and these have been treated as restricted funds as Common Wealth will use these funds to further invest in projects which are specific to Bradford.

Sport England

Common Wealth Theatre received £9,180 from Sport England Small Grants fund for the Speakers Corner project, Swim with Speakers. This is a year long project in which 50 girls and women, predominantly of Muslim and/or South Asian heritage will learn to swim. This will commence in Summer 2021 and is part of the Speakers Corner strand 'I am perfect as me' which promotes mental and physical health and wellbeing.

ESF Groundworks - Cultural Ecology Project

In partnership with Cultural Ecology Project and Bradford Producing Hub, Common Wealth was awarded a total grant of £19,282 from ESF Groundworks. The first instalment of £7,713 was received during 2020-21. This is a Bradford based project delivering cultural industry training and skills development for women from minority ethnic backgrounds.

Arts Council Wales Revenue Fund

Common Wealth Theatre received funding from Arts Council Wales in 2020-21 for the first time. We were awarded £35,005 from the Arts Council Wales Revenue Fund 1, a fund aimed at supporting employees and freelance staff through the Pandemic with key aims of sustainability and recovery.

Manjit Wolstenholme Fund

We have been awarded £9,875 through Leeds Community Foundation from Manjit Wolstenholme Fund. This is to fund the costs of employing a member of staff for Speakers Corner and to contribute to Speakers Corner activity from August to December 2021.

COMMON WEALTH THEATRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	15,694	-	15,694
Current assets	87,851	120,280	208,131
Creditors due within one year	(26,059)	-	(26,059)
Total	77,486	120,280	197,766

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	8,893	-	8,893
Current assets	37,032	103,716	140,748
Creditors due within one year	(3,334)	-	(3,334)
Total	42,591	103,716	146,307

16. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	169	1,590

17. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. Related party transactions

During the year, there were no transactions with related parties.



7 June 2021

The Trustees
Common Wealth Theatre
14 North Parade
Bradford
West Yorkshire
BD1 3HT

Our Ref: COMMON/LAK/MDC/RV/ADS
Your Ref:

Dear Sirs

LETTER OF ENGAGEMENT

This letter, together with attached appendices, set out the basis on which we provide services as the Independent Examiner and tax advisers and respective responsibilities of yourselves and ourselves.

1. Services That We Are To Provide

The various areas in which we are to undertake work for you are as follows and the detailed matters applicable to each area are set out in an appendix as indicated:-

	<u>Appendix</u>
Preparation of annual accounts	1
Independent examination of charity accounts	2
Corporation tax	3
Other tax matters	4
Company secretarial matters	5

2. Data protection

In providing all of these services, we will be acting as a data controller under the terms set out in Appendix 6.

New Chartford House, Centurion Way, Cleckheaton, BD19 3QB
Tel: 01274 876333 www.bhp.co.uk

Assurance \ Advisory \ Corporate Finance \ Tax
Sheffield \ Cleckheaton \ Leeds \ Chesterfield \ York

BHP, Chartered Accountants is a trading name of BHP LLP, a limited liability partnership, registered under number OC337035 in England and Wales and with its registered office at 2 Rutland Park, Sheffield, S10 2PD. A list of partners is available at www.bhp.co.uk

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales



3. Force Majeure

Each Party shall be excused from liability for the failure or delay in performance of any obligation arising from the engagement of BHP, whether under this letter of engagement or otherwise (save for any payment obligation) by reason of any event beyond such Party's reasonable control including but not limited to epidemic or pandemic, or any other event similar. Such excuse from liability shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and provided that the Party has not caused such event(s) to occur and continues to use diligent, good faith efforts to avoid the effects of such event and to perform the obligation. No omission to notify likely failure or delay in performance due to force majeure will limit the effects of this provision. All delivery dates under this Agreement that have been affected by force majeure shall be stayed for the duration of such force majeure.

4. Standard terms of business

Our standard terms of business are set out in a separate sheet, which is enclosed with this letter.

5. Agreement of terms

Once it has been agreed, this letter will remain effective until it is replaced. We should be grateful if you would confirm your agreement to the terms of this letter by signing as indicated – the Adobe Sign system will automatically send a copy of the finalised agreement to you for retention. Alternatively, please let us know if the contents are not in accordance with your understanding of our terms of appointment.

Yours faithfully

BHP WP

Agreement to the terms of this letter is confirmed

For and on behalf of the Trustees

Signed L. Mallaghan
L. Mallaghan (Jun 14, 2021 12:53 GMT+1)

Date Jun 14, 2021

Name L. Mallaghan
Block Capitals

We want to keep in touch with you and send you relevant information about our future products, services or events by email. If you would rather we did **not** send you any information, please tick this box.

☒

(We will, however, still provide tax and other relevant technical updates by e-mail, unless you specifically indicate to the contrary.)

APPENDIX 1 - ANNUAL ACCOUNTS

The purpose of this schedule to our engagement letter is to set out the basis on which we are to compile the statutory financial statements and perform other accounting services.

1. Responsibilities of the trustees

1.1 Your responsibilities as trustees are set out in Appendix 2.

1.2 Your staff will be responsible for:

- keeping the record of receipts and payments;
- reconciling the balances monthly with the bank statements;
- keeping posted and balanced the purchase and sales ledgers;
- preparing detailed lists of accruals, prepayments, accrued income and deferred income as at the year end date;
- preparing an accurate detailed trial balance at the year end
- keeping separate records of the income and expenditure appertaining to each restricted fund.

1.3 You have undertaken to make available to us, as and when required, all the charitable companies accounting records and related financial information, including minutes of management and Board meetings necessary for the compilation of the accounts. You will make full disclosure to us of all relevant information.

2. Role of the accountants

2.1 You have asked us to help you compile the statutory financial statements in accordance with the requirements of the Companies Act 2006, and regulations made under it and with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' 2015 (FRS102). We will compile the annual financial statements for your approval based on the accounting records maintained by you and the information and explanations given to us by you. In carrying out our engagement we will make enquiries of management and undertake any procedures that we judge appropriate.

2.2 We have a professional duty to compile financial statements that conform with generally accepted accounting principles from the accounting records and information and explanations given to us. Where we identify that the financial statements do not conform with the requirements of legislation or with the guidance issued by the Charity Commission, or if the accounting policies adopted are not immediately apparent, this will need to be disclosed in the financial statements.

2.3 Our responsibilities as auditors are set out in Appendix 2.

APPENDIX 2 - INDEPENDENT EXAMINATION OF CHARITY ACCOUNTS

1. Responsibilities of trustees and independent examiners

- 1.1 As trustees of the charitable company, you are responsible for maintaining adequate accounting records and an appropriate system of internal control for the charitable company. You are also responsible for preparing the annual report and accounts which give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006 and regulations thereunder.
- 1.2 You are also responsible for determining whether, in respect of the year, the charity meets with the conditions for exemption from an audit of the accounts set out in Section 28 of the Charities Act 2006, namely:
 - (a) the charity's gross income in the current year is more than £25,000, but not more than £1,000,000; and
 - (b) the charity's gross income in the current year is more than £250,000, but gross assets are not more than £3,260,000; and
 - (c) notice has not been received from the Charity Commission requiring an audit.
- 1.3 As trustees of a charitable company, you have a duty under the Companies Act 2006 to prepare a directors' report and also an annual report for each financial year complying in its form and content with regulations made under the Charities Act 2011. You should also have regard to the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' 2015 (FRS 102), issued by the joint SORP-making body, and any subsequent amendments or variations to this statement.
- 1.4 Under the Charities Act 2011 we have a statutory responsibility to state whether or not any matters have come to our attention to which in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached, and to report whether or not any matter has come to our attention in connection with the examination which gives us reasonable cause to believe that in any material respect:
 - accounting records have not been kept by the charitable company in accordance with Section 386 Companies Act 2006;
 - the accounts are not in agreement with the accounting records; and
 - the accounts do not comply with the accounting requirements of Section 396 Companies Act 2006 and with the methods and principles of the SORP.
- 1.5 We are also required to report any of the following matters that have become apparent during the course of our examination:
 - whether there has been any material expenditure or action which appears not to be in accordance with the trusts of the charitable company;
 - whether any information or explanation to which we are entitled under regulation 33 of the Charities (Accounts and Reports) Regulations 2008 has not been afforded to us; and

APPENDIX 2 - INDEPENDENT EXAMINATION OF CHARITY ACCOUNTS - CONTINUED

1. Responsibilities of trustees and independent examiners – continued

- whether any information in the trustees' statutory annual report is inconsistent in any material respect with that in the financial statements.
- 1.6 We shall plan our work on the basis that an examination report is required for the year, unless you inform us in writing that either:
- the charitable company requires an audit of the accounts; or
 - the charitable company requires neither an audit nor an examination report.
- 1.7 Should you instruct us to carry out an audit, then a separate letter of engagement will be required.
- 1.8 Should you inform us that the charitable company requires neither an audit nor an examination, then we shall have no responsibilities to the charitable company, except those specifically agreed upon between us in respect of other professional services.
- 1.9 Should our work lead us to conclude that the charitable company is not entitled to exemption from an audit of the accounts, or should we be unable to reach a conclusion on this matter, then we will not issue any report and will notify you in writing of the reasons. In these circumstances, if appropriate, we will discuss with you the need to appoint an auditor.
- 1.10 We have a statutory duty to report to the Charity Commission (CC) under section 156 of the Charities Act 2011 such matters (concerning the activities or affairs of the charity or any connected institution or body corporate) of which we become aware during the course of our examination which are (or are likely to be) of material significance to the CC in the exercise of their powers of inquiry into, or acting for the protection of, charities.
- 1.11 In common with all accountancy and legal practices, we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:
- have due diligence procedures for the identification of all clients;
 - maintain appropriate records of evidence to support customer due diligence; and
 - report in accordance with the relevant legislation and regulations

2. Scope of examination

- 2.1 Our examination will be conducted in accordance with the Charity Commission's 'Directions and Guidance Notes for the Carrying out of an Independent Examination'. Our procedures will consist of comparing the accounts with the accounting records, making limited enquiries of the officers of the charitable company and only in certain circumstances seeking independent evidence to support entries in the accounting records, or the presentation of the accounts. We shall also review the trustees' report and discuss with you the financial circumstances of the charitable company at the end of the year.

APPENDIX 2 - INDEPENDENT EXAMINATION OF CHARITY ACCOUNTS - CONTINUED

2. Scope of examination - continued

- 2.2 Our examination is not designed to identify all significant weaknesses in the charitable company's systems but, if such weaknesses come to our notice during the course of our examination which we think should be brought to your attention, we shall report them to you. Any such report may not be provided to third parties without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the charitable company in mind and that we accept no duty or responsibility to any other party as concerns the reports.
- 2.3 As part of our normal procedures, we may request you to provide written confirmation of oral representations which we have received from you during the course of the examination on matters having a material effect on the accounts and statement.
- 2.4 In order to assist us with the examination of your financial statements, we shall request sight of all documents or statements, including the Trustees' Annual Report, which are due to be issued with the financial statements. If it is proposed that any documents or statements which refer to our name, other than the examined financial statements, are to be circulated to third parties, please consult us before they are issued.
- 2.5 The responsibility for safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with yourselves. Our examination should not be relied upon to disclose all material misstatements or frauds, errors or instances of non-compliance as may exist.
- 2.6 We shall not be treated as having notice, for the purposes of our examination responsibilities, of information provided to members of our firm other than those engaged on the examination.
- 2.7 Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year.

APPENDIX 3 - CORPORATION TAX

1. Our service to the charitable company

- 1.1 A corporation tax return is only required as and when requested by HM Revenue & Customs (HMRC), unless the charity has taxable income or non-charitable expenditure.

Where a tax return is required we will, if requested, prepare this for you and we set out our mutual responsibilities below.

- 1.2 We will submit the accounts to HMRC in pdf format where possible. Alternatively, where required to do so, we will use appropriate software to apply iXBRL tags to items in the accounts as we consider appropriate for the purposes of submission of the accounts to HMRC.
- 1.3 We will, to the extent we consider necessary, manually amend or apply tags where the software has not applied automatic tagging or where we consider any automatic tagging to have been inappropriate.
- 1.4 Where requested, we will provide you with detailed information regarding the tagging applied for your approval.
- 1.5 We will prepare the charitable company's corporate tax self assessment (CTSA) return. After obtaining the approval of an authorised nominated official, which may be confirmed by signature or email, we will submit it to HMRC. We will not accept liability for any financial penalty or loss or other damage arising from any rejection of the iXBRL accounts by HMRC or otherwise as a result of incorrect or inappropriate tagging.
- 1.6 We will prepare the corporation tax computation and supporting schedules required for preparation of the tax return from accounts, information and explanations provided to us on your behalf.
- 1.7 If appropriate, we will tell you how much tax the charity should pay and when, and we will initiate repayment claims when tax has been overpaid. We will advise on the interest and penalty implications if corporation tax is paid late.
- 1.8 If appropriate, we will inform you when instalment payments of corporation tax are due for an accounting period and the dates they are payable. We will calculate the quarterly instalments which should be made on the basis of information supplied by you by the date agreed.
- 1.9 We will advise you as to possible tax return related claims and elections arising from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 1.10 We will prepare the tax provisions and disclosures to be included in the charity's statutory accounts.

APPENDIX 3 - CORPORATION TAX - CONTINUED

2. Ad hoc and advisory work

2.1 Where you have instructed us to do so, we will also provide such other taxation advisory and ad hoc services as may be agreed between us from time to time. These may be the subject of a separate engagement letter, at our option. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work include:

- Dealing with any enquiry opened into the charitable company's tax return by HMRC;
- Preparing any amended returns which may be required and corresponding with HMRC as necessary;
- Review of the tax status of the activities undertaken by the charity.

3. Changes in the law

3.1 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.

3.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

4. Your responsibilities

4.1 The Trustees, on behalf of the charitable company, are legally responsible for:

- a) Determining if the charitable company is subject to corporation tax for any year. Therefore, each year the charity should consider if it has received any taxable income or non-charitable expenditure;
- b) Ensuring that the CTSA return (including tagging if required) is correct and complete;
- c) Filing any returns by the due date; and
- d) Making payment of tax on time.

Failure to do this may lead to automatic penalties, surcharges and/or interest.

The individual approving the return cannot delegate this legal responsibility to others. The individual agrees to check that returns we have prepared for the charitable company are complete before he/she approves them.

4.2 To enable us to carry out our work the Trustees agree:

- a) To provide us with approved accounts for the charitable company, unless they are otherwise held by us;
- b) That all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;

APPENDIX 3 - CORPORATION TAX - CONTINUED

4.2 Cont.....

- c) To provide full information necessary for dealing with the charitable company's affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- d) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with the charitable company's affairs;
- e) To provide us with information in sufficient time for the charitable company's CTSA return to be completed and submitted by the due date following the end of the tax year. In order that we can do this we need to receive all relevant information together with the accounting records. Where feasible we may agree to complete your return within a shorter period but may charge an additional fee for so doing;
- f) To provide information on matters affecting the charitable company's tax liability for the accounting period in respect of which instalments are due at least four weeks before the due date of each instalment. This information should include details of trading profits and other taxable activities up to the date the information is provided, together with estimates to the end of the accounting period.

4.3 The Trustees will keep us informed of material changes in circumstances that could affect the tax liabilities of the charitable company. If the Trustees are unsure whether the change is material or not please let us know so that we can assess its significance.

4.4 You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when a 64-8 has been submitted, it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of all communications issued to you.

APPENDIX 4 - OTHER TAX MATTERS

PAYE and benefits-in-kind

You have not asked us to become involved in your PAYE system, but should you require it we can offer advice on the operation of all aspects of wages and PAYE, as well as advice on how to deal with benefits provided and reimbursed expenses, in terms of tax and NI. In addition, we can offer a Payroll Bureau Service and assistance regarding Auto Enrolment.

VAT

You are responsible for monitoring your monthly turnover to establish whether you are liable to register for VAT. If you do not understand what you need to do, please ask us. If your turnover exceeds the VAT registration threshold, and you wish us to assist you in notifying HMRC of your obligation to be VAT registered, we will be pleased to assist you in the VAT registration process. You should notify us of your instructions to assist in your VAT registration in good time to enable a VAT registration form to be submitted within the time limit of one month following the month in which you exceeded the VAT registration threshold in force at that time. We will not be responsible if you fail to notify us in time and incur a late registration penalty as a result.

If you provide digital services to consumers in the EC you are responsible for either registering for VAT in that member state or registering for MOSS in the UK.

Your staff will be responsible for completing and submitting VAT returns. We will not be responsible for checking the VAT treatment of supplies made, i.e. between positive and zero rates, and exempt supplies, nor will we specifically check the deductibility of input VAT and the validity of supporting invoices, unless specifically requested in writing to make a detailed review. We will, however, bring to your notice any errors discovered during the course of our preparation of the company's accounts. If you require a detailed VAT review or advice in relation to specific issues, please let us know.

Gift Aid

You have not asked us to become involved in your gift aid system, but should you require it, we can offer advice on the operation of your gift aid system, as well as advice on how to maximise gift aid reclaims.

APPENDIX 4 - OTHER TAX MATTERS - CONTINUED

General tax advice and other services

We will be pleased to advise on any taxation matters which you refer to us and the terms of this engagement letter will be applicable to the work undertaken. Our charges will be calculated based on the time spent by our partners and staff, however we would always aim to agree fees in advance of the work being undertaken.

For more complex assignments we would expect to issue a separate engagement letter in order to agree the scope of work to be undertaken, the responsibilities of each party and the associated fee quote.

It is helpful if you advise us in good time of any proposed transactions.

We will be pleased also to advise the directors and executives on their personal income tax and capital gains tax affairs. In such cases we will need to agree separate terms with the individuals concerned.

Changes in the law or practice or in public policy

Advice will be provided based on tax rules in place at the time. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or practice or in public policy or your circumstances.

We will accept no liability for losses arising from changes in the law (or the interpretation thereof) or practice or in public policy that are first published after the date on which the advice is given.

APPENDIX 5 - COMPANY SECRETARIAL MATTERS

We have agreed to

- (a) submit the statutory accounts to Companies House and the Charity Commission.

And

You have agreed to

- (a) complete and submit the company's Annual Confirmation Statement to Companies House and the charity Annual Return and Trustee update form to the Charity Commission;
- (b) complete and submit any other forms required by law to be filed at Companies House, provided that you keep us fully informed of any relevant changes or events;
- (h) maintain the company's statutory minute book.

We shall, of course, be pleased to advise you on these and any other company secretarial matters if required.

APPENDIX 6 – DATA PROTECTION

In providing each of the services to you set out in this engagement letter, we will be acting as a data controller under the following terms:

1. In this clause the following definitions shall apply:
 - a) **‘client personal data’** means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;
 - b) **‘data protection legislation’** means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;
 - c) **‘controller’, ‘data subject’, ‘personal data’, ‘personal data breach’, ‘processor’, ‘process’** and **‘supervisory authority’** shall have the meanings given to them in the data protection legislation;
 - d) **‘GDPR’** means the General Data Protection Regulation ((EU) 2016/679); and
 - e) **‘PECR’** means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).
2. We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.
3. You shall only disclose client personal data to us where:
 - a) you have provided the necessary information to the relevant data subjects regarding its use and you may use or refer to our privacy notice available on our website.
 - b) you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject’s consent; and
 - c) you have complied with the necessary requirements under the data protection legislation to enable you to do so.
4. Should you require any further details regarding our treatment of personal data, please contact our data protection officer.
5. We shall only process the client personal data:
 - a) in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
 - b) in order to comply with our legal or regulatory obligations; and
 - c) where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects’ own privacy rights. Our privacy notice, available on our website, contains further details as to how we may process client personal data.

APPENDIX 6 – DATA PROTECTION - CONTINUED

6. For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to members of our firm's network, our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation. We may disclose the client personal data to other third parties in the context of a possible sale, merger, restructuring or financing of or investment in our business. In this event we will take appropriate measures to ensure that the security of the client personal data continues to be ensured in accordance with data protection legislation. If a change happens to our business, then the new owners may use our client personal data in the same way as set out in these terms.
7. We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.
8. In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:
 - a) we receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
 - b) we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or
 - c) we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.
9. Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

Terms of business

The following terms of business ('these Terms') apply to all engagements accepted by BHP LLP. All work is carried out under these terms, except where changes are expressly agreed in writing.

1. Our fees and invoicing arrangements

Unless otherwise agreed in writing, our fees will be based on the number and seniority of staff required, the degree of skill and responsibility involved, the resources required to complete the engagement and the fee rates for the appropriate personnel. Our fee rates will be reviewed from time to time. We will also charge for any disbursements incurred during the engagement and we will add VAT to fees and disbursements if applicable.

We provide fee estimates, upon request, for specified tasks and assignments. However, any fee estimate agreed with you is necessarily based on the assumption that the information required for our work is made available in accordance with agreed timetables and that your key executives and personnel are available during the course of our work. If delays or other unanticipated problems occur which are beyond our control, or your requirements change, we reserve the right to increase the fee but will give you prior warning of this, as far as possible.

We will be entitled to submit invoice/requests for payment in relation to services provided and disbursements incurred on an interim basis as the work progresses.

Invoice/requests for payment are payable upon presentation. We reserve the right to charge interest on overdue accounts at the current rate under the Late Payment of Commercial Debts (Interest) Act 1998. We reserve the right, where fees have been invoiced and payment is outstanding to us, to exercise a lien in respect of those outstanding fees over any documents belonging to you which may be in our possession.

2. Information and confidentiality

Where we receive confidential information, our obligation is to take such steps as we, in good faith, consider fit to preserve confidential information from unauthorised disclosure or other misuse, both during and after termination of this engagement. For the avoidance of doubt, if, despite taking such steps, we disclose without authorisation or otherwise misuse the confidential information, thereby causing you loss, we shall be liable to you in accordance with law, but subject to the other terms of this engagement. Save where there is specific agreement to the contrary, the fact that we have a professional relationship with you shall not be treated as confidential information and we may disclose this fact to third parties. Subject to our duty of confidentiality, you agree we may act for your competitors or for other clients, whose interests are or may be opposed to yours. In these circumstances, we would of course, put in place suitable safeguards to maintain the confidentiality of information regarding your business.

You agree that we may disclose your confidential information to our related companies where such disclosure relates to services we are providing, or have provided, to you.

The reports, letters, information and advice we provide to you during this engagement are given in confidence solely for the purpose of this engagement and are provided on the condition that you undertake not to disclose these, or any other confidential information made available to you by us during the course of our work, to any third party (being a party other than those to whom the report, letter, information or advice is addressed) without our prior written consent. Before we provide such consent, we may stipulate terms regarding the provision of our consent.

Neither we nor you will be prevented from disclosing confidential information:

- which is or becomes public knowledge, other than by a breach of an obligation of confidentiality;
- which is or becomes known from other sources without restriction on disclosure;
- pursuant to law or any professional or regulatory obligation;
- as required by our insurers;
- as part of an external peer review.

We inform clients of changes in tax law and regulations through our websites, newsletters, factsheets and e-bulletins. The content of these is provided in good faith and is for general information purposes and no other purpose. We make reasonable efforts to ensure the accuracy, currency, completeness and electronic integrity of all our communications. However, we cannot accept liability for any loss of any kind incurred as a result of reliance on the information provided in them without first consulting with us on the specific circumstances.

3. Advice

The nature and content of any advice we provide will necessarily reflect the specific scope and limitations of our engagement, the amount and accuracy of information provided to us and the timescale within which the advice is required. If you ask us to provide our advice orally or in an abbreviated format or timescale, you accept that you may not receive all the information you would have done had we provided a full written report or had been able to perform the work without an abbreviated timescale.

4. Limitation of liability

We will provide our professional services with reasonable care and skill. However, we will not be held responsible for any losses arising from

- the supply by you or others of incorrect, incomplete or misleading information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities; or

- any delay or failure to perform our obligations during our engagement if the delay or failure is caused by circumstances outside our reasonable control.

In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is Aviva Insurance Limited of Pitheavlis, Perth, Scotland, PH2 0NH. The territorial coverage is worldwide.

5. Intellectual property rights

We retain all ownership, copyright and other intellectual property rights in everything developed, designed or created by us either before or during the course of an engagement including systems, methodologies, software, know-how and working papers. We also retain all ownership, copyright and other intellectual property rights in all reports, written advice or other materials provided by us to you, although the fees you pay us will give you a licence to use those materials for the purposes for which they were created under this engagement.

6. Marketing and publicity

There may be occasion where we would like to make it known that we act or have acted for you in a particular market place. However, for the avoidance of doubt, we will not provide any confidential information about your business or any particular transaction. By signing the letter of engagement with which these Terms of Business were provided, you agree to this.

7. Electronic communications

During the engagement we may wish to communicate electronically with each other and with third parties. However, the electronic transmission of information cannot be guaranteed to be secure, virus free or error free and consequently could arrive late, be lost or otherwise be unsafe to use. We each accept the risks of electronic communications between us and agree to use commercially reasonable procedures to protect our own systems.

8. Professional rules and practice guidelines

In carrying out our work, we will observe and act in accordance with the bye-laws, regulations and the ethical guidelines of the Institute of Chartered Accountants in England and Wales ('ICAEW'), and we accept instructions to act for you on this basis. In particular, you give us authority to correct HM Revenue & Customs' ('HMRC') errors 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. Copies of these requirements are available for inspection at our offices or online at www.icaew.com/membershandbook. In addition, where applicable, we are bound by the FRC Ethical Standards, which can be viewed at <https://www.frc.org.uk/auditors/audit-assurance/standards-and-guidance/current-ethical-standards>.

If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by the Code of Ethics of the Institute of Chartered Accountants in England and Wales which can be viewed at the above web address.

Details about our audit registration can be viewed at www.auditregister.org.uk, under reference number C005047201

Details of the Audit Regulations and Guidance that we are required to apply for audit work can be viewed at www.icaew.com/auditnews. International Standards on Auditing (UK and Ireland) that we are also required to apply for audit work can be viewed at www.frc.org.uk/apb/publications/isa.cfm.

9. Disputes within a client entity

If we become aware of a dispute within a client entity, e.g. between the individual parties who own or are in some way involved in the ownership and management of the entity, it should be noted that our client is the entity and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless agreed by all parties we will continue to supply information to the registered office/normal place of business for the attention of the directors/proprietors.

If conflicting advice, information or instructions are received from different directors/principals of the entity, 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.

10. Performance and deadlines

Our performance including, where appropriate, meeting statutory reporting deadlines is dependent upon you co-operating with us and ensuring that you provide us with any information that we may require on a timely basis. You will ensure that all such information is complete, accurate and not misleading and you are responsible for informing us immediately of any changes to the information, or if the information should no longer be relied upon. We shall not be responsible for delay or other consequences resulting from your failure to co-operate or supply information on a timely basis.

Terms of business – continued

11. Quality control

As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent quality review. Our reviewers are highly experienced and professional people and, of course, are bound by the same requirements for confidentiality as our partners and staff. All files may be subject to such review, unless we are specifically instructed otherwise by you in writing. We reserve the right to disclose our files to regulatory bodies in the exercise of their powers.

If at any time you would like to discuss with us how we might improve our service to you, or if you are dissatisfied with the service you are receiving, please take the matter up with the partner who normally deals with your affairs, or, if you prefer, with the Managing Partner or other nominated senior partner.

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we have given you less than satisfactory service, we undertake to do everything reasonable to put it right. If you are still not satisfied, you may of course take matters up with the ICAEW.

12. Staff

Our staff are assigned to you on the mutual understanding that neither party will offer employment to, nor employ, the staff of the other who have been involved during our assignment, or dealing with you, within twelve months, unless written consent has been obtained from either party. If such consent is given, either party reserves the right to bill an appropriate fee of 24% of the annual salary on appointment plus VAT, if applicable.

13. Client monies

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 Clients' Money Regulations of the ICAEW.

14. Investment advice

Under our licence with the ICAEW, we are able to provide certain limited investment business services where these are complementary to or arise out of the professional services we are providing to you. Details of the permitted range of these investment business services is available upon request.

In the course of the provision of our professional services, you may however need advice on investments which is outside the scope of our licence. In that situation, it may be necessary for us to refer you to a third party which is authorised under the Financial Conduct Authority. This is most likely to be one of our related companies, BHP Financial Planning Limited and BHP Corporate FP Limited, which are controlled by BHP LLP. BHP Financial Planning Limited is regulated by the Financial Conduct Authority and able to provide a wide range of investment advisory services. BHP Corporate FP Limited is its authorised representative for this purpose.

In the unlikely event that we cannot meet our liabilities to you in relation to investment services, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme.

15. Commissions

If commissions are payable to us as a result of our relationship with you, we will ensure that you are notified in writing of the amounts once we become aware that a commission may be (or has been) received. We will not be liable to pay to you any such commission paid to us but we may take it into account in determining our fees for the work concerned.

16. Our membership of Kreston International

Kreston International ('Kreston') is a global network of independent accounting firms which provide professional services to clients. Each firm is a member of Kreston International ('Kreston International'), a UK company limited by guarantee, which provides no services to the clients of its members. Members of Kreston are separate legal entities and are only associated with each other through the common membership of Kreston International. Some of the members of Kreston use Kreston as part of their business name.

Nothing in the arrangements or rules of Kreston constitutes or implies an agency relationship or a partnership between Kreston International and/or the member firms of Kreston.

We may, from time to time, introduce you to partners or staff from other members of Kreston to assist us in providing services to you.

If you use the services of such partners or staff in connection with this Engagement, you must make your own contractual arrangements directly with them and they are not deemed to be acting as our servants or agents. Accordingly, we are not liable for work which they carry out on your behalf. Neither Kreston International nor any other Member Firm of Kreston assumes any responsibility to you in connection with this Engagement, unless you contract directly with them. The fact that you may have been introduced to us by an associated Kreston entity does not make that associated Kreston entity or any its staff members responsible for any of our acts or omissions.

By engaging us, you agree that any claim arising from this Engagement shall be brought only against this firm and that no claims in respect of this Engagement will be brought against any other Member Firm of Kreston or against Kreston International or personally against any other persons involved in the performance of this Engagement.

17. Data Protection

We are committed to ensuring the protection of the privacy and security of any personal data which we process in line with any applicable Data Protection Laws. Depending on the nature of the services that we provide to you, we will either act as a Data Controller or a Data Processor. Our Data Protection relationship will be outlined clearly and transparently within your engagement letter.

We may share personal information between our related companies to provide you with details of additional services offered by those companies that may be of interest to you.

Your e-mail address may be used to keep you informed about our future products, services or events. If you do not want to receive such information, please indicate this when you are signing the engagement letter.

If you wish to know more about how we process your personal data, please view our privacy notice, located on our website.

18. Proceeds of Crime, Terrorism and Money Laundering legislation

In common with all accountancy and legal practices, the firm is required by the Proceeds of Crime Act 2002, the Terrorism Act 2000 and current Money Laundering Regulations to:

- have due diligence procedures for the identification of all clients;
- maintain appropriate records of evidence to support customer due diligence; and
- report in accordance with the relevant legislation and regulations.

We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases.

19. Bribery Act

In common with all businesses, the firm is required to comply with the Bribery Act 2010. BHP LLP has a policy to conduct all of its business (whether in the UK or abroad) in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption. We have implemented proportionate risk-based procedures designed to consider the likelihood of bribery when engaging with our clients and other third parties.

20. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this agreement shall have no right 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.

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. We will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them

21. Termination

Our engagement may be terminated with immediate effect by either party by notice in writing to the regular correspondence address of the other party marked for the appropriate partner or contact.

In the event of termination:

- we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination;
- our unbilled costs and expenses incurred to the date of termination will be invoiced and be payable by you; and
- we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

22. Applicable law

These Terms are 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 these Terms 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.

23. Interpretation

If any provision of our engagement letter, appendices to the letter, or these terms of business is held to be void, then such provision will be deemed not to form part of this contract or our engagement and the remainder shall be interpreted as if such provision had never been inserted.

In the event of any conflict between these terms of business and our engagement letter or appendices, the relevant provision in the engagement letter or appendices will take precedence.

24. Agreement of terms

These Terms supersede any previous terms of business. By signing the engagement letter to which these terms are attached, you have confirmed your agreement and acceptance of these terms unless you have otherwise let us know that they are not in accordance with your understanding of our terms of appointment.

Common Wealth Theatre

14 North Parade

Bradford

BD1 3HT

Charity number: 1185967

Company number: 07799494

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your independent examination of the charitable company's financial statements for the year ended 31 March 2021. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

- 1 We acknowledge that the work performed by you is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that you do not express an audit opinion.
- 2 We confirm that the charitable company qualifies as small in accordance with the conditions set out in chapter 1 of part 15 of the Companies Act 2006.
- 3 We confirm that the charitable company was entitled to exemption under section 144 of the Charities Act 2011 the requirement to have its financial statements for the financial year ended 31 March 2021 audited. We also confirm that the members have not required the company to obtain an audit of its financial statements for the financial year in accordance with section 476 of the Companies Act 2006.
- 4 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 7 June 2021, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 5 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
- 6 All the accounting records have been made available to you for the purpose of your independent examination. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.

- 7 All additions to, and disposals of fixed assets have been properly accounted for.

We accept depreciation rates of:

Plant and machinery - 33% straight line

- 8 The financial statements are free of material misstatements, including omissions.
- 9 The effects of uncorrected misstatements are immaterial both individually and in total.
- 10 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
- 11 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 12 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 13 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 14 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.
- 15 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.
- 16 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- 17 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.
- 18 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.
- 19 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.
- 20 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Yours faithfully on behalf of the Board of Trustees


L. Mallaghan (Jun 14, 2021 12:53 GMT+1)

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L Mallaghan – Chair

Jun 14, 2021
.....

Date



.....
J Hughes – Vice Chair

Jun 14, 2021
.....

Date












Common Wealth Theatre

Final Audit Report

2021-06-14

Created:	2021-06-11
By:	Mark Crisp (mark.crisp@bhp.co.uk)
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