



# Tablehurst and Plaw Hatch Community Farm Limited Key Audit Findings

For the year ended

**31 March 2023**

Knowing all your business,  
tax and wealth needs

# Our values



Our values define who we are and how we do things at Kreston Reeves. They reflect our attitudes and behaviours and represent a promise of quality, personal service and commitment to our clients, communities and colleagues.

Collectively and individually we aim to:

 <b>Understand</b> Understand a client's broad context Appreciate their particular situation and priorities Listen; ask; be curious	 <b>Look ahead</b> Anticipate a client's future needs Embrace change and think innovatively Help people and organisations adapt to new opportunities	
 <b>Make it personal</b> Tailor our solutions and approach to a client's needs Work and communicate in the way you prefer	 <b>Be crystal clear</b> Communicate clearly, with the right language Always keep our clients 'in the loop' Think clearly and act decisively	 <b>Be human</b> Understand our clients as people, including their concerns, priorities and emotions Be friendly and approachable Make a positive impact in helping our clients succeed

## Our awards

We are regularly recognised and shortlisted in prestigious national, regional and industry awards. As well as receiving award recognition ourselves, it's important to us to help recognise and award the successes and growth stories of other businesses. We regularly support and sponsor awards such as Kent MegaGrowth and Sussex Super Growth Awards.



**Key Audit Findings  
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**Key Audit Findings  
For the year ended 31 March 2023**

**1. Introduction and audit summary**

The purpose of this report is to bring to your attention our findings from the recent audit carried out on Tablehurst and Plaw Hatch Community Farm Limited. We appreciate that you will already be aware of the majority of the matters contained in this report through earlier discussions you will have had with the audit team, but we hope that you will find this report a useful summary of those discussions.

We would like to take this opportunity to thank Peter Morris for the assistance he has provided to us during the course of our audit.

Our audit has given us a unique opportunity to understand your business and processes. We have used this opportunity to provide you a service that is of real positive benefit to you. During the course of our audit work this year we have performed the following tasks which we hope that you will have found to have been of benefit.

- We have assisted you with the preparation of the co-operative's financial statements, ensuring that they comply with all statutory requirements and with accounting standards. In doing so we have ensured that the co-operative has taken advantage of any accounting exemptions available to it so as to avoid any unnecessary over-disclosure of the co-operative's affairs that are not required to be published in publicly available financial statements.
- We have worked with you to prepare the Committee members' report, ensuring that the co-operative's narrative reporting complies with legislation and provides an accurate reflection of the business' performance and of the uncertainties it faces.
- As part of our audit, we have reviewed the financial reporting framework under which the co-operative prepares its financial statements. As part of this review, we have ensured that the co-operative is complying with Generally Accepted Accounting Principles as well as best practice for your industry sector.
- We have calculated the co-operative's corporation tax liability for the year, ensuring that all relevant reliefs have been taken advantage of in order to minimise the co-operative's liability. Following approval of the financial statements and the completion of our audit our tax team will produce your tax return and work with you to ensure that the co-operative's filing obligations are met. This will include ensuring that the co-operative's financial statements comply with electronic tax filing requirements.

Should you have any questions regarding any of the issues raised in this report please contact Allan Pinner as the person responsible for the audit of your co-operative, or any other member of the audit team, who will be happy to provide further explanations as required.

**Kreston Reeves LLP**

Statutory Auditor  
Chartered Accountants

September 2023

**Key Audit Findings  
For the year ended 31 March 2023**

**2. Audit report**

We can confirm that our audit has not revealed any matters which will require modifications to our audit report. Thus, at this stage we expect that an unqualified audit opinion will be issued.

**3. Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of greatest significance in our audit of the financial statements. These include the significant risks of potential material misstatement that we identified during our planning of the audit and had the greatest impact on our overall audit strategy, which we advised you of in the Audit Plan issued to you prior to the commencement of our work.

We can now report to you how our audit addressed these areas of significant risk and the conclusions we formed.

<b>Audit risk</b>	<b>Audit response</b>
Valuation of investments	The carrying amount of investments have been agreed to Companies House, and the investment values compared to the net assets reported in the subsidiaries' draft 2023 statutory accounts. No impairments were noted.
Management override of controls	The accounting records and estimates made by management have been considered and do not indicate any management override.

**4. Taxation**

As part of our audit, we have assisted you in calculating the current and deferred tax provisions for inclusion in the financial statements. These calculations show that the co-operative has no liability to corporation tax for the year.

**5. Misstatements encountered during the audit**

We are required to inform you of any significant misstatements within the financial statements presented for audit that have been discovered during the course of our audit. A number of unadjusted misstatements were discovered during the course of our audit.

A full summary of these unadjusted misstatements and their potential impact on the financial statements can be found within Appendix II. This does not include any misstatements discovered during the course of the audit which we consider to be trivial in nature.

**6. The accounting and internal control systems**

We can confirm that we have found the co-operative's accounting and internal control systems to be appropriate to the co-operative's needs based upon the nature and complexity of your activities and the need for any systems to be cost effective.

**Key Audit Findings  
For the year ended 31 March 2023**

No matters have come to our attention during our audit to suggest that any serious error has arisen with these systems during the accounting period under review. Thus, we believe that the systems can be relied upon to produce financial statements that show a true and fair view.

Please note that the purpose of the audit was to enable us to express an opinion on the financial statements. Our audit did include consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in such circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. The matters being reported to you are limited to those deficiencies that we have identified during our audit, which was conducted on a test basis, and that we have concluded are of sufficient importance to merit being reported to you, but this does not represent a comprehensive statement of all weaknesses which may exist in the accounting and internal control systems or of all improvements which may be made. We can only address those matters which have come to our attention as a result of the audit procedures which we have performed.

**7. Qualitative aspects of the co-operative's accounting practices and financial reporting**

As part of our audit, we have considered and reviewed the co-operative's accounting policies with UK Generally Accepted Accounting Practice, and we have not encountered any material departures. In our opinion the accounting policies selected are appropriate to the circumstances of the co-operative.

*Future accounting changes*

The co-operative's accounts are prepared in accordance with FRS102. This standard is due to be updated and revised every four to five years in order to ensure that it reflects any legal changes and developments in accounting practice that have taken place.

The Standard at this stage has not been updated for recent changes to International Financial Reporting Standards (IFRS), and in particular the following major new standards that have recently been implemented:

- IFRS9 *Financial instruments*
- IFRS15 *Revenue from contracts with customers*
- IFRS16 *Leases*

Although the long-term aim is to keep FRS 102 as closely aligned to IFRS as possible, the FRC has stated that further consideration is required of the changes that may be required, and that this work will not begin until these standards have been fully implemented by IFRS reporters and insight can be gained from their implementation experience. It is therefore unlikely that any changes will be made to FRS 102 in respect of these issues that will impact on your reporting for the foreseeable future.

For more information on these future changes please do not hesitate to contact your usual Kreston Reeves adviser.

**Key Audit Findings  
For the year ended 31 March 2023**

**Appendix I – Other matters required by International Standards on Auditing to be communicated to you**

*Audit report – further information*

Our audit report contains details of the scope of the audit of the financial statements conducted in accordance with legislative requirements and International Standards on Auditing. Further information on the scope of the audit is set out on the website of the Financial Reporting Council and can be found using the following link:

<https://www.frc.org.uk/Our-Work/Audit-and-Actuarial-Regulation/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

The original audit report will be signed by Allan Pinner, being the Senior Statutory Auditor for this assignment, for and on behalf of Kreston Reeves LLP. The financial statements incorporating the original audit report should be retained with the co-operative's other permanent documents. Copies of the financial statements that require a signed audit report, including for filing with Companies House, will be signed as Kreston Reeves LLP as the statutory auditor.

Our audit report has been drafted in accordance with International Standards on Auditing and the latest guidance from the Financial Reporting Council and our Institute. This involves the inclusion of a paragraph which clarifies what our responsibilities as auditors are. It does not affect our responsibilities to the co-operative or yourselves, nor does it mean we would be unwilling to accept responsibility to any third parties, providing that our specific agreement to do so is obtained beforehand.

*Independence*

We can confirm that we have re-evaluated our firm's independence in connection with the audit and can confirm that we are not aware of any factors affecting our independence or objectivity and thus our ability to continue to act as auditor of the co-operative.

*Letter of representation*

Before we can complete our audit, we require from you a letter of representation on your headed notepaper. A draft version of such a letter accompanies this Memorandum. The letter will provide us with additional evidence in areas where we have relied upon representations from staff members during the audit. We suggest that this letter is signed by a representative member of the Board of Directors and that you make your own enquiries of staff to verify that you support the representations that have been made.

*Liability*

This report has been drafted solely to report to you as directors matters in relation to our audit. It has not been drafted with any third parties in mind and thus must not be disclosed to a third party, or quoted or referred to, without our written consent. We do not accept responsibility to any third party in respect of our audit or this report.



**Key Audit Findings  
For the year ended 31 March 2023**

**Appendix II - Summary of unadjusted misstatements**

No	Narrative	Account Name	Dr	Cr	Effect on Profit
			Profit/(loss) per Accounts		(2,265)
<b>1</b>	<b><i>Accrued income in relation to management fees for the 6 months to 31 March 2023</i></b>				
		Prepayments & accrued income	1,000		
		Other operating income (P&L)		1,000	1,000
<b>2</b>	<b><i>Loan balance to be written-off as unable to contact lender</i></b>				
		Loans due in one year	1,000		
		Admin expenses (P&L)		1,000	1,000
			Revised profit/(loss)		(265)

We would request that you review these misstatements and consider amending the financial statements accordingly. If you decide not to amend the financial statements, then your reasons for doing so should be communicated to us within the letter of representation.





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