

UHY Hacker Young
Thames House
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Sittingbourne
Kent
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Dear Sirs

Letter of Representation

This representation letter is provided in connection with your audit of the financial statements of Folkestone Parks and Pleasure Grounds Charity ('the Charity') for the year ended 31 March 2020. We note that your audit was performed for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the result and financial position of the Charity in accordance with the UK Generally Accepted Accounting Practice financial reporting framework.

We confirm to the best of our knowledge and belief, the following representations made to you in connection with your audit of this entity's financial statements:-

1. General

We acknowledge as trustees our responsibility under the Charities Act 2011 for preparing financial statements, which give a true and fair view of the financial position of the Charity as of 31 March 2020, and of the result of its operations for the year then ended, and for making accurate representations to you. The financial statements are free of material misstatements, including omissions. We confirm that we have held prior discussion with you to ensure that there is complete agreement on the meaning of all confirmations that we are making to you.

We have made available to you all the accounting records necessary for your audit, including books of account, supporting documentation and all minutes of meetings of shareholders and the board of trustees. All the entity's transactions have been reflected in the accounting records produced to you. We have not withheld any information, the knowledge of which could cause you to take a materially different view in your report.

All relevant access to persons within the charity has been made available to you for the purpose of your audit.

We acknowledge our responsibility for the design and implementation of internal control procedures to prevent and detect fraud and error, and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We are not aware of any irregularities involving either management, employees with a significant role in internal control, former employees, analysts, regulators or anyone else where those irregularities could have a material effect on the financial statements.

2. Audit Adjustments

We have not made adjustments for the misstatements identified by your audit (see Appendix II attached), as we believe that the effects of the uncorrected misstatements, both individually and in aggregate, are immaterial to the financial statements taken as a whole.

3. Commitments, contingencies and liabilities

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the financial statements all guarantees that we have given to third parties. We do not know of any substantial liabilities, contingent liabilities of capital commitments, of a material amount, other than those disclosed in the financial statements.

4. Litigation

There is no litigation in progress or pending.

5. Transactions and arrangements with officers and related parties

We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees, other key management, close family and other business interests of the previous.

We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.

6. Post balance sheet events

No other events or transactions have occurred, or are pending, which could either have a material effect on the financial statements or which are of such significance in relation to the entity's affairs that they should either require adjustment or be disclosed in the financial statements, or notes thereto, in order to avoid giving a misleading view of the entity's financial position.

7. Laws and regulations

We are not aware of any events which involve possible or actual instances of non-compliance with those laws and regulations which provide a legal framework within which the entity conducts its business. The entity has complied with all aspects of contractual agreements and the requirements of regulatory authorities that, in either case, could, in the event of non-compliance, have a material effect on the financial statements.

8. Future plans

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.

9. Accounting estimates

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable, in particular those assumptions in respect of the charity's investment properties and land and buildings, as stated below.

10. Assets held at valuation

We confirm that we have assessed the fair value of all investment properties as being £857,000, and all other land and buildings as being £3,558,000 at 31 March 2020 on an open market value basis. We have based this valuation on information from professional Chartered Surveyors we confirm that this is considered to be an accurate valuation of the property at the year end.

11. Coastal parks valuation

We confirm that we consider the fair value of the coastal parks and associated land and car parks to be £2,689,000. As there is no open market value available for this type of land and due to its specialised nature, we consider the historic cost of the parks to be a reasonable basis for the valuation on an existing use basis.

12. Going concern

APPENDIX I – AGREED ADJUSTMENTS INCLUDED IN THE FINANCIAL STATEMENTS

The following adjustments were discussed and agreed with you, and the impact on net income is shown below:

There were no agreed adjustments included in the financial statements for the year ended 31 March 2020.

APPENDIX II – AUDIT DIFFERENCES

We have not made adjustment for the misstatement identified by your audit and stated below since we believe that the effects of the uncorrected misstatement is immaterial to the financial statements taken as a whole.

<u>Unadjusted audit differences</u>	£	Effect on net income
Depreciation on revalued assets in 2020	10,600	-
Impact of unadjusted differences on net income		<hr/> - <hr/>
Net movement in funds per SOFA		566,000
Net movement in funds if adjustments above processed		<hr/> 566,000 <hr/>