

Appendix 5: Example letter of appointment

The following example may be used to agree the terms between the charity trustees and an independent examiner, particularly where the role is undertaken by an unpaid volunteer.

Where additional services are also provided – for example, the preparation of the charity’s accounts – an additional agreement would also be recommended.

The Trustees

XYZ Charity

Date

Dear Sirs,

Charity Name

The aim of this letter is to set out the basis on which I act as Independent Examiner for the charity.

Roles

As Trustees, you are responsible for maintaining proper accounting records and preparing the financial statements. You are also responsible for making available to me all of the charities accounting records and related papers as required.

As Independent Examiner, I have a responsibility to report whether the accounts are drawn up in a manner consistent with the founding documentation of the charity and The Charities Accounts (Scotland) Regulations 2006. The responsibilities for any other services provided will be agreed in advance through a further Letter of Appointment.

Timetable

As we discussed, the following is a proposed timetable:

Books received from trustees: date

Expected completion of examination: date

Date of Trustees' Finance Meeting: date

Date of Annual General Meeting: date

Fees

My work is undertaken on a voluntary basis and no fee shall be raised to the charity for my examination.

Or

My fee for the independent examination will be £X and is due on completion of the examination.

Proceeds of Crime Act 2002 and Serious Organised Crime and Police Act 2005

Under certain circumstances, the above legislation may require me to make a money laundering disclosure in relation to information obtained during my examination.

In addition, in some cases I have a statutory duty to report matters to the Office of the Scottish Charity Regulator (OSCR).

I should be grateful if you could confirm in writing your agreement to the terms of this letter by signing below. Once agreed this letter will remain effective from date of signature until it is replaced. You or I may agree to vary or terminate this appointment at any time, which must be given in writing.

Yours faithfully,