



# Audit Plan

The Dukes Playhouse

Year ended 31 March 2025





**Strictly Private & Confidential**

The Board of Trustees  
Dukes Play House Limited (The)  
Moor Lane  
Lancaster  
Lancashire  
LA1 1QE

Our ref: SC/LAN/6D0036  
25 July 2025

Dear Sirs

**The Dukes Playhouse Limited**  
**Audit plan for the year ended 31 March 2025**

We are writing to confirm the audit arrangements in respect of The Dukes Playhouse ('the Company') for the year ended 31 March 2025.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) (ISAs UK)), which is directed towards forming and expressing an opinion on the financial statements. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, including those in respect of the preparation of financial statements.

There is more detail in respect of the responsibilities of the auditor and those charged with governance within our engagement letter. Our standard terms and conditions can be found at <https://www.azets.co.uk/terms-of-business>.

This audit plan highlights the key elements of our proposed audit strategy for the benefit of those charged with governance, as required by ISA (UK) 260 'Communication with those charged with governance'. On completion of our audit work, an audit findings report will be issued prior to the approval of the financial statements and will detail our significant findings and other matters arising from the audit.

If, during the course of the audit, we identify any significant adverse or unexpected findings that we conclude should be communicated, we will do so on a timely basis, either informally or in writing.

Yours faithfully

A handwritten signature in black ink that reads 'Susanna Cassey'.

Susanna Cassey  
Senior Statutory Auditor  
Azets Audit Services

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# 1. Audit scope and general approach

## Audit Scope

This section of our letter sets out the scope and nature of our audit and should be considered in conjunction with our letter of engagement dated 21 July 2025.

## General approach

Our objective when performing an audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our general approach, we will:

- perform risk assessment procedures including updating our understanding of the entity and its environment, the financial reporting framework and system of internal control;
- review the design and implementation of key internal controls;
- identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances or disclosures;
- design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud and respective responsibilities for prevention and detection of fraud.

## Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

Any identified errors greater than £1,700 will be recorded and discussed with you and, if not adjusted, confirmed as immaterial as part of your letter of representation to us.

The basis for our assessment of materiality for the year is set out in an appendix to this letter.

## Accounting systems and internal controls

The purpose of an audit is to express an opinion on the financial statements. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work is not for the purpose of expressing an opinion on the effectiveness of internal controls.

We will report to you in writing, significant deficiencies in internal controls that we identify during the audit. These matters will be limited to those which we conclude are of sufficient importance to merit being reported to you. The scope of our work is not designed to be an extensive review of all internal controls.

## Going concern

Under the going concern principle it is assumed that an entity will continue in operation and there is neither the intention nor the need to liquidate it or cease to operate.

### **Management responsibility**

Management is required to make and document a rigorous assessment of whether the entity is a going concern when preparing the financial statements. The process should be proportionate in nature and depth depending upon the size and level of financial risk and the complexity of the entity and its operations. The review period should cover at least 12 months from the date of approval of the financial statements. Trustees are also required to make balanced, proportionate and clear disclosures about going concern within the financial statements where material uncertainties exist in order to give a true and fair view.

### **Auditor responsibility**

Under ISA (UK) 570, we are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties about the entity's ability to continue as a going concern that need to be disclosed in the financial statements.

Further detail in respect of the responsibilities of the auditor and management can be found within our engagement letter.



## Related party transactions

ISA 550 *Related Parties* requires that the audit process starts with the client providing a list of related parties to the auditor, including any companies under common control, shareholders and Trustees.

Previously you have informed us of the individuals and entities that you consider to be related parties. Please advise us of any changes for the period under audit.



## 2. Significant and other risks of material misstatement

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- our risk assessment procedures have identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- are required to be treated as significant risks due to requirements of ISAs (UK), for example in relation to management override of internal controls.

### Significant risks at the financial statement level

The below table summarises significant risks of material misstatement identified at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p><b>Management override of controls</b>                      Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk</p> <p><b>Risk of material misstatement: Very High</b></p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> <li>• Review of accounting estimates, judgements and decisions made by management;</li> <li>• Testing of journal entries;</li> <li>• Review of any unusual significant transactions;</li> </ul>
<p><b>Going concern</b>                      Going concern (the risk that a material uncertainty related to going concern exists and that management's use of the going concern basis of preparation of the financial statements is inappropriate).</p> <p><b>Risk of material misstatement: High</b></p>	<p>The position of the charity at the year-end will be assessed along with post year end management information, so that we can obtain sufficient appropriate audit evidence that the company continues to operate as a going concern.</p>



## Significant risks at the assertion level for classes of transaction, account balances and disclosures

The below table summarises significant risks of material misstatement assertion level for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p><b>Fraud in income recognition</b>                      Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements).</p> <p><b>Inherent risk of material misstatement:</b></p> <ul style="list-style-type: none"> <li>• <b>Revenue (Completeness): Very High</b></li> </ul>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> <li>• Review and testing of income recognition policies;</li> <li>• Detailed audit testing on cut-off around the year end.</li> <li>• Sales transaction testing on all material revenue stream.</li> </ul>

If there are any other areas that you require us to perform additional procedures, then please let us know in a timely manner.



### 3. Audit team and timetable

#### Audit team

Our audit team will be as follows:

Role	Name	Email
Senior Statutory Auditor	Susanna Cassey	Susanna.Cassey@azets.co.uk
Senior Manager	Adam Hilton-Mason	Adam.Hilton-Mason@azets.co.uk
Assistant Manager	Charlie Maden	Charlie.Maden@azets.co.uk
Assistant	Dane Johnson	Dane.Johnson@azets.co.uk

#### Timetable

Please find below confirmation of our proposed timetable for the audit as previously discussed with you:

Event	Date
Audit planning meeting	2 May 2025
Audit planning	w/c 7 July 2025
Audit fieldwork	w/c 28 July 2025
Audit completion	w/c 25 August 2025
Audit partner review	w/c 1 September 2025
Sign off date	September 2025
Distribute documents for the Board Meeting	TBC
Statutory filing deadline	31 December 2025

The audit process is underpinned by effective project management to ensure that we co-ordinate and apply our resources efficiently to meet your deadlines. It is therefore essential that we work closely with your team to achieve this timetable.



## 4. Fees

Our audit fee proposal (excluding VAT and disbursements) is as follows:

	Proposed fee £
Company audit	9,250
<b>Total</b>	<b>9,250</b>

Our fee proposal is on the basis that:

- Supporting schedules and information are supplied by the agreed dates and in accordance with the audit deliverables outlined in our Collaborate tool;
- The financial statements will be prepared by us; and
- Your staff will be available to our team and will provide all reasonable assistance.

It is our policy to bill for overruns or scope extensions e.g., where we have incurred delays, deliverables have been late or of poor quality, where key personnel have not been available, or we have been asked to do extra work.

Our policy is to raise fees to account at appropriate stages of the audit such as on completion of the audit planning, completion of the interim visit, completion of the final audit work and after the financial statements have been signed.

## 5. Audit independence and objectivity

We confirm that we comply with the Financial Reporting Council's (FRC) Ethical Standard and are able to issue an objective opinion on the financial statements. We have considered our integrity, independence and objectivity in respect of audit services provided and we have identified potential threats for which we have applied appropriate safeguards as follows:

### Non-audit services

We have detailed in the table below the non- audit services provided, the threats to our independence these present and the safeguards we have put in place to mitigate these threats:

Non-audit service	Fees 2025	Fees 2024	Type of threat	Safeguard
Preparation of statutory accounts	£1,250	£1,250	Self-interest	Accounts are prepared by a member of the audit team and reviewed by the manager and the RI. The accounts are prepared from the TB provided by client, with little to no judgement inputted by Azets. The Trustees will approve all adjustments and the final accounts.
Theatre tax relief	£1,600	£1,525	Self-review, self-interest.	Computations are prepared by member of tax department and reviewed by tax partner independent of audit team. Fees are agreed and billed separately.



## 6. Use of this letter

This planning letter has been prepared for the sole use of those charged with governance and, where applicable, the Charity's management, and should not be relied upon by third parties. No responsibility is assumed by Azets Audits Services to third parties.



## 7. Confirmation of arrangements

Please confirm in writing your agreement to these assignment terms by signing and returning a copy of this letter. If there are any elements of this audit plan to which you do not agree or would like to discuss, please let us know as soon as possible.

Yours faithfully

A handwritten signature in black ink that reads 'scassey'.

Susanna Cassey  
Senior Statutory Auditor  
Azets Audit Services Limited

I confirm the arrangements set out above:

DocuSigned by:  
A handwritten signature in black ink that reads 'Chris Lawson'.  
BFBEFEB1F0AB4E2...

Name: Chris Lawson

Position: Ceo

Date: 7/29/2025

For and on behalf of Dukes Play House Limited (The)