

**REPORT OF THE AUDITORS TO THE TRUSTEES OF
THE LIBRARY ASSOCIATION**

We have audited the financial statements for the year ended 31 December 1999 set out on pages 1 to 7 which have been prepared under the historical cost convention, as modified by the revaluation of investments, and the accounting policies set out on page 3.

Respective responsibilities of the trustees and auditors

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of its financial activities for the period together with its assets and liabilities at the end of the period, and adequately distinguish any material special trust or other restricted fund of the charity. In preparing those financial statements the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity, and enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under s44 of the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Basis of opinion

We conducted our audit under s43 of the Charities Act 1993 and in accordance with regulations made under s44 of that Act, and in accordance with auditing standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and an assessment of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit in order to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 1999 and of its incoming resources and application of resources for the year then ended, and have been properly prepared in accordance with the Charities Act 1993.

118 South Street
Dorking

15 June 2000

Signed: Davies Watson
Chartered Accountants
Registered Auditors