

Our Ref: 4415/CAD/NF
Date: 29th November 2023



Private & confidential

Board of Management
Participation & Practice of Rights Project Ltd
Community House
City Link Business Park
6a Albert Street
Belfast
BT12 4HQ

Dear Sirs/Madams,

REPORT TO THOSE CHARGED WITH GOVERNANCE

The audit of the financial statements of Participation & Practice of Rights Project Ltd ('PPR') for the year ended 31st March 2023 is complete. In line with International Standards for Auditing, we are writing to advise you of audit conclusions, significant matters arising during the course of the audit and other matters which are significant to the financial reporting process.

As auditors, we are responsible for forming and expressing an opinion on the financial statements that have been prepared with the oversight of those charged with governance. As such, our tests are designed to assist us in forming our opinion and should not be relied upon to disclose all errors, irregularities or control deficiencies that exist. The audit does not relieve management or those charged with governance of their responsibilities.

Audit opinion

The results of our audit work indicate that the financial statements presented are free of material misstatements and are represented fairly in accordance with the Generally Accepted Accounting Principles (FRS 102). Thus we have issued an unqualified audit report on the financial statements.

Going concern

During the course of the audit, we did not identify or become aware of any events or conditions that may cast a significant doubt on the entity's ability to continue as a going concern. As a result, we concur with your assessment that the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements.

Fraud

Auditing standards require us to report any identified frauds, indications of fraud or any other relevant matters related to fraud. We have nothing to report in this regard.

Laws and regulations

No matters involving non-compliance with laws and regulations came to our attention during the course of the audit.

Related parties

No significant matters arose during the audit in connection with related parties.

This report has been prepared for the sole use of those charged with governance of Participation & Practice of Rights Project Ltd must not be shown to third parties without our prior consent. No responsibility is assumed by Finegan Gibson Ltd towards any third party acting or refraining from action as a result of this report.

Ethical Considerations

We comply with ethical standards applicable to auditors, specifically the 'Revised Ethical Standard 2019' published by the Financial Reporting Council. This standard identifies potential threats to auditor independence where partners and staff in senior positions have a long association or extensive involvement with an audit client. In accordance with this standard, after a period of ten years we must formally consider as to whether it is probable that an objective, reasonable and informed third party would conclude the integrity, objectivity or independence of the firm or covered persons are compromised.

Conor Dolan has acted as audit engagement partner since 2007 and therefore we have formally considered if he should be rotated. In this case we have assessed potential threats to our independence and have concluded that, in our opinion, no such threats have, would or could materialise due to the nature of our engagement and the quality control procedures we have implemented within our firm. We therefore deem partner rotation not necessary. We are required to bring any potential threats to auditor independence, and our response to these threats, to your attention.

Subsequent events

We performed procedures designed to obtain sufficient appropriate audit evidence that all events occurring between the date of the financial statements and the date of the audit report that require adjustment, or disclosure in, the financial statements have been identified. Audit procedures identified no subsequent events.

Internal control

During the course of the audit we identified a number of recommendations in relation to improving the internal control framework of the organisation. In summary, 0 priority 1, 3 priority 2 and 2 priority 3 observations were noted. These are set out in detail at Appendix 1.

We have graded our management report observations as follows:

Priority 1	An issue which requires urgent management decision and action without which there is a substantial risk to the achievement of key business/system objectives, or to the reputation of the organisation.
Priority 2	An issue which requires prompt attention, as failure to do so could lead to a more serious risk exposure.
Priority 3	Improvements that will enhance the existing control framework and/or represent best practice.

Acknowledgement

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us by Participation & Practice of Rights Project Ltd personnel during the course of our audit.

Yours faithfully,



Finegan Gibson Ltd
Chartered Accountants & Registered Auditors

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APPENDIX 1: Schedule of adjustments

Adjusted audit differences:

Reported audit differences					
No.	Description	Adjusting journals		Adjusted SOFA effect	Adjusted B/S effect
		Dr	Cr	£	£
See Appendix 1 for audit adjustments					

Unadjusted audit differences:

No.	Description	Unadjusted journals		Unadjusted SOFA effect	Unadjusted B/S effect
		Dr	Cr	£	£
NO UNADJUSTED AUDIT DIFFERENCES					
TOTAL AUDIT UNADJUSTMENTS				-	-

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#	Issue	Risk(s)	Grade	Recommendation	Management Response	Responsibility & Target Date
Fixed assets						
1.	It was noted during testing that fixed asset additions were not posted to the fixed asset nominal codes on the Sage Accounting system.	Inaccurate recording of asset purchases may lead to misstatement of fixed asset balances. Complete and accurate management information on fixed assets may not be readily available to inform decision making.	3	When an asset is purchased and recorded on the fixed asset register, it should also be posted to the correct fixed asset nominal code on the balance sheet within the Sage accounting system and depreciated in line with current policies.		
2.	Depreciation of assets is not recorded on the fixed asset register, and it is not posted to the accounting system on a monthly basis.	The value of fixed assets may be misstated in the charity's accounts. The net book value of fixed assets may not reflect their actual value in use.	3	Depreciation should be calculated and posted for all assets on a monthly basis in line with the company's policy, to ensure asset values in the financial statements reflect their net book value.		
Expenditure and creditors						
3.	During testing, we identified cut off issues whereby invoices relating to the year ended 31 March 2023 were not recorded in the 31 March 2023 financial year.	The charity's liabilities and expenditure for the period may be understated.	2	We recommend that invoices received around the year end date are reviewed carefully to ensure that all liabilities are included in the correct period.		

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APPENDIX 1: Management Letter

#	Issue	Risk(s)	Grade	Recommendation	Management Response	Responsibility & Target Date
				Any relevant expenditure not invoiced until after the year end should be included as an accrual.		
Payroll						
4.	During testing it was noted that payroll payments were incorrectly coded on sage and not reflected in the net pay control account.	Misstatement of liabilities	2	Payroll journals should be posted to control accounts on a monthly basis, so the charity's payroll liabilities are evident. These control accounts should be brought to nil when the liabilities are paid and any remaining balances investigated.		
Income and Debtors						
5.	During testing it was noted, that there were debtors found through post year end testing that were not included on the debtors ledger at year end.	The charity's debtors and income for the period may be understated	2	<p>We recommend that sales invoices are reviewed carefully to ensure that all debtors are included in the correct period.</p> <p>Any relevant income relating to the 31 March 2023 year should be included as a debtor.</p>		

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#	Issue	Risk(s)	Grade	Recommendation	Management Response	Responsibility & Target Date
Bank						
6.	During testing of the bank accounts, it was noted free cash reserves are not held in a high interest deposit account and potentially losing out on interest income.	There is a risk the organisation could be losing out on potential interest income.	3	The organisation should review the use of all the bank accounts and consider opening a high interest deposit account to allow free cash reverses to earn interest.		

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