

Report to those charged with Governance

**The Commission for Victims and Survivors for
Northern Ireland**
2021-22

3 January 2023

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We have prepared this report for the Commission’s sole use. You must not disclose it to any third party, quote or refer to it, without our written consent and we assume no responsibility to any other person.

1. Key Messages

This report summarises the key matters from our audit of the 2021-22 Commission for Victims and Survivors for Northern Ireland's (the Commission) financial statements which we must report to the Audit Committee, as those charged with governance. We would like to thank the Chief Executive and his staff for their assistance during the audit process.

Audit Opinion

The Comptroller and Auditor General (C&AG) certified the 2021-22 financial statements on 21 December 2022, with an unqualified audit opinion, without modification.

The Audit Certificate is included at [Appendix Two](#).

Misstatements and Irregular Expenditure

Financial Statement Adjustments

The net effect of adjustments on the statement of comprehensive net expenditure and the statement of financial position was £Nil.

Uncorrected misstatements

Uncorrected misstatements would decrease spend and increase net assets by a further £1,490.

Irregular expenditure

Irregular expenditure was not identified from our audit procedures.

C&AG's Report

No report on the account was required.

Audit Findings

During the audit we reviewed internal controls; accounting systems; and procedures to the extent considered necessary for the effective

performance of the audit. We identified no priority one recommendations in relation to regularity¹ and the internal control environment.

Full details of findings are included at [Findings from the Audit](#).

Status of the Audit

The annual report and accounts were certified on 21 December 2022.

The total audit fee charged will be in line with that set out in our Audit Strategy.

Independence

We consider that we comply with the Financial Reporting Council (FRC) Ethical Standard and that, in our professional judgment, we are independent and our objectivity is not compromised.

We have not provided any non-audit services to the Commission during the year of account.

Management of information and personal data

The Commission is required to comply with the General Data Protection Regulations (GDPR) in the handling and storage of personal data. Those Charged with Governance should ensure they have made sufficient enquiries of management to form a view on whether there were any significant specific data incidents which should be disclosed in the Governance Statement. We are unaware of any data handling incidents during the year and confirmation to this effect has been sought within the letter of representation included at [Appendix One](#).

During the course of our audit we have access to personal data to support our audit testing. We have established processes to hold this data securely within encrypted files and to destroy it where relevant at the conclusion of

¹ Regularity - expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and that the transactions conform to the authorities which govern them.

our audit. We can confirm that we have discharged those responsibilities communicated to you in accordance with the requirements of General Data protection Regulation (GDPR) and Data Protection Act 2018.

Looking ahead

In response to significant changes in International Standards on Auditing (UK) (ISAs), the way in which we plan and conduct our audits is changing for our 2022-23 audit cycle. This will involve the performance of more detailed and extensive risk assessment procedures to identify financial reporting risks of material misstatement, and the subsequent design of audit approaches which are responsive to each assessed risk. We will write to the Accounting Officer to outline these changes and potential implications for our audit of the 2022-23 financial statements.

Actions for the Audit Committee

The Audit Committee have:

- Reviewed the findings set out in this report, including the letter of representation and audit certificate at Appendices one and two respectively; and
- Considered whether the uncorrected misstatements set out at Misstatement and Irregular Expenditure should be corrected.

2. Audit Scope

We have completed our audit of the 2021-22 financial statements in accordance with International Standards on Auditing (UK) (ISAs) issued by the Financial Reporting Council; with Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'; and with the Audit Strategy presented to the Audit Committee in May, 2022.

There are no new matters to communicate concerning the planned scope and timing of the audit.

3. Significant Risks

The significant risk which was identified in our Audit Strategy has been addressed as follows:

Significant Risk 1 **Management override of controls**

Under ISA (UK) 240, there is a presumed significant risk of material misstatement due to fraud through management override of controls.

Audit Response

As required by ISA (UK) 240, we will:

- Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- Review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud;
- Consider significant transactions that are outside the normal course of business for CVS, or that otherwise appear to be unusual.

Outcome

No issues were identified as part of this work.

4. Findings from the Audit

Financial Reporting

As part of our audit, we evaluate the qualitative aspects of accounting practices and financial reporting. In this section we draw to your attention any significant changes or issues in respect of accounting policies; accounting estimates; and financial statement disclosures.

The Commission has robust processes in place for the production of the accounts and continue to produce good quality supporting working papers. Officers dealt efficiently with audit queries, effectively prioritising them.

Accounting Policies

We reviewed the appropriateness of the accounting policies judged against the objectives of relevance, reliability, comparability and understandability and found them appropriate for the circumstances of the Commission.

Accounting Estimates

Accounting estimates and judgements were considered appropriate – no significant or complex accounting estimates or judgements were made in the financial statements.

Financial Statement Disclosures

We have made a number of suggestions to improve narrative disclosures and to ensure completeness of the disclosures required under the FReM and other relevant guidance. These changes include amendments to the remuneration disclosures.

Going Concern

No events or conditions were identified from our audit work that cast significant doubt about the Commission's ability to continue to adopt the going concern basis of accounting.

Annual Report

The Annual Report was considered to be consistent with our understanding of the business, and was in line with the other information provided in the financial statements.

Accountability Report

The parts of the Accountability Report to be audited were considered to be properly prepared in accordance with the Executive Office directions made under the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008.

Governance Statement

The Governance Statement was considered to reflect compliance with the Department of Finance's guidance.

Regularity, Propriety and Losses

We found no issues in relation to irregularity, impropriety or losses during our audit.

Internal Control

No significant weaknesses in the design and implementation of internal control have come to our attention during the audit.

Related Parties

No significant matters were arising during the audit in connection with the Commission's related parties.

Audit Recommendations

This section outline the findings arising from our audit, as well as management's response and target date for implementation. Our findings are defined as:

- **Priority 1** – significant issues for the attention of senior management which may have the potential to result in material weakness in internal control.
 - **Priority 2** – important issues to be addressed by management in their areas of responsibility.
 - **Priority 3** – issues of a more minor nature which represent best practice.
-

Finding 1 Estimating accruals

Our testing identified three errors in accruals, resulting in a £1,490 over-statement of liabilities in the financial statements. The most significant error arose because information provided by the supplier of the services was overlooked.

Priority Rating

3

Recommendation

We recommend that all relevant evidence is taken into account when estimating accruals at the year end.

Management Response (including target date)

Agreed. All evidence will be taken into account for the 2022/23 Accounts.

5. Misstatements and Irregular Expenditure

Adjusted misstatements

During the audit process we identified the following misstatements above our clearly trivial threshold of £400. These misstatements have been adjusted and the net effect was to increase expenditure on the statement of comprehensive net expenditure by £186 and decrease net assets on the statement of financial position by £186.

ISSUE	AREA	SoCNE DEBIT / (CREDIT) £	SoFP DEBIT / (CREDIT) £
Grant in Aid should not have been accrued.	General Fund		31,000
	Other Debtors		(31,000)
To correct errors between Fixed Asset Register and General Ledger	Furniture & Fittings		(186)
	Depreciation	58	
	Loss on disposal	128	
TOTAL FOR ALL ISSUES	TOTAL FOR ALL AREAS	186	(186)

Uncorrected misstatements

The table below lists unadjusted misstatements which exceed our clearly trivial threshold of £400. Uncorrected misstatements would decrease expenditure and increase net assets by a further £1,490.

ISSUE	AREA	SoCNE DEBIT / (CREDIT) £	SoFP DEBIT / (CREDIT) £
Over-estimation of Year end accruals	Accruals		1490
	Other Expenditure	(1490)	
TOTAL FOR ALL ISSUES	TOTAL FOR ALL AREAS	(1,490)	1,490

We recommend that uncorrected misstatements, other than projected errors, be corrected by the Commission.

Irregular Expenditure

We did not identify any irregular expenditure during the course of our audit.

Appendix One – Letter of Representation

[Client Letterhead]

The Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT 7 1EU

Letter of Representation: The Commission for Victims and Survivors for Northern Ireland 2021-22

As Accounting Officer of the Commission of Victims and Survivors I have fulfilled my responsibility for preparing accounts that give a true and fair view of the state of affairs, net expenditure, cash flows, Changes in Taxpayers' Equity; and the related notes of the Commission for Victims and Survivors for Northern Ireland for the year ended 31 March 2022.

In preparing the accounts, I was required to:

- observe the accounts direction issued by the Executive Office, apply appropriate accounting policies on a consistent basis in accordance with International Financial Reporting Standards in force at the reporting date;
- make judgements and estimates on a reasonable basis; and
- state whether applicable accounting standards have been followed and disclosed and explain any material departures in the accounts; and
- make an assessment that Commission for Victims and Survivors is a going concern and will continue to be in operation throughout the next year; and ensure that this has been appropriately disclosed in the financial statements.

I confirm that for the financial year ended 31 March 2022:

- neither I nor my staff authorised a course of action, the financial impact of which is that transactions infringe the requirements of regularity as set out in Managing Public Money Northern Ireland;
- having considered and enquired as to the Commissions for Victims and Survivors for Northern Ireland's compliance with law and regulations, I am not aware of any actual or potential non-compliance that could have a material effect on the ability of the Commission for Victims and Survivors for Northern Ireland to conduct its business or on the results and financial position disclosed in the accounts;
- all accounting records have been provided to you for the purpose of your audit and all transactions undertaken by the Commission for Victims and Survivors for Northern Ireland have been properly recorded and reflected in the accounting records. All other records and related information, including minutes of all management meetings which you have requested have been supplied to you;
- the information provided regarding the identification of related parties is complete; and the related party disclosures in the financial statements are adequate;

All material accounting policies as adopted are detailed in note 1 to the accounts.

Internal Control

I have fulfilled my responsibility as Accounting Officer for the design and implementation of internal controls to prevent and detect error and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated.

I confirm that I have reviewed the effectiveness of the system of internal control and that the disclosures I have made are in accordance with DoF guidance on the Governance Statement.

Fraud

I have fulfilled my responsibility as Accounting Officer for the design and implementation of internal controls to prevent and detect fraud and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated as a result of fraud.

I am not aware of any fraud or suspected fraud affecting the Commission for Victims and Survivors for Northern Ireland and no allegations of fraud or suspected fraud affecting the financial statements has been communicated to me by employees, former employees, analysts, regulators or others.

Assets

GENERAL

All assets included in the Statement of Financial Position were in existence at the reporting period date and owned by the Commission for Victims and Survivors for Northern Ireland and free from any lien, encumbrance or charge, except as disclosed in the accounts. The Statement of Financial Position includes all tangible assets owned by the Commission for Victims and Survivors for Northern Ireland.

NON CURRENT ASSETS

All assets over £1,000 are capitalised. They are revalued annually using the Office for National Statistics indices. Depreciation is calculated to reduce the net book amount of each asset to its estimated residual value by the end of its estimated useful life in the Commission for Victims and Survivors for Northern Ireland's operations.

OTHER CURRENT ASSETS

On realisation in the ordinary course of the Commission for Victims and Survivors for Northern Ireland's operations the other current assets in the Statement of Financial Position are expected to produce at least the amounts at which they are stated. Adequate provision has been made against all amounts owing to Commission for Victims and Survivors for Northern Ireland which are known, or may be expected, to be irrecoverable.

Liabilities

GENERAL

All liabilities have been recorded in the Statement of Financial Position.

There were no significant losses in the year and no provisions for losses were required at the year end.

PROVISIONS

No Provisions were required in the financial statements at the end of the financial period.

CONTINGENT LIABILITIES

I am not aware of any pending litigation which may result in significant loss to the Commission for Victims and Survivors for Northern Ireland, and I am not aware of any action which is or may be brought against Commission of Victims and Survivors under the Insolvency (Northern Ireland) Order 1989 and the Insolvency (Northern Ireland) Order 2005.

Other Disclosures

RESULTS

Except as disclosed in the accounts, the results for the year were not materially affected by transactions of a sort not usually undertaken by the Commission for Victims and Survivors for Northern Ireland, or circumstances of an exceptional or non-recurring nature.

UNCORRECTED MISSTATEMENTS

The following uncorrected misstatements have been brought to my attention:

AREA	SoCNE DEBIT / (CREDIT) £	SoFP DEBIT / (CREDIT) £
Accruals		1490
Other Expenditure	(1490)	
TOTAL FOR ALL AREAS	(1,490)	1,490

I consider the effect of these uncorrected misstatements to be immaterial, both individually and in aggregate, to the financial statements taken as a whole.

EVENTS AFTER THE REPORTING PERIOD

Except as disclosed in the accounts, there have been no material changes since the reporting period date affecting liabilities and commitments, and no events or transactions have occurred which, though properly excluded from the accounts, are of such importance that they should have been brought to notice.

ACCOUNTING ESTIMATES

The methods, significant assumptions and the data used in making the accounting estimates and the related disclosures are appropriate to achieve recognition, measurement or disclosure that is in accordance with the financial reporting framework.

Management of Personal Data

As disclosed in the Directors' Report, there have been no personal data related incidents in 2021-22 which are required to be reported.

Andrew Sloan

Accounting Officer

The Commission for Victims and Survivors for Northern Ireland

Xx December 2022

Appendix Two – Audit Certificate

THE COMMISSION FOR VICTIMS AND SURVIVORS FOR NORTHERN IRELAND

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Commission for Victims and Survivors for Northern Ireland for the year ended 31 March 2022 under the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Commission for Victims and Survivors for Northern Ireland's affairs as at 31 March 2022 and of the Commission for Victims and Survivors for Northern Ireland's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008 and The Executive Office directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes

intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Commission for Victims and Survivors for Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Commission for Victims and Survivors for Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Commission for Victims and Survivors for Northern Ireland's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Commission for Victims and Survivors for Northern Ireland is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Commission and Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Commission and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with The Executive Office directions made under the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Commission for Victims and Survivors for Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Commission and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Commission for Victims and Survivors for Northern Ireland and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Commission for Victims and Survivors for Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Commission for Victims and Survivors for Northern Ireland will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Commission for Victims and Survivors for Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Victims and Survivors (Northern Ireland) Order 2006 as amended by the Commission for Victims and Survivors Act (Northern Ireland) 2008;
- making enquires of management and those charged with governance on the Commission for Victims and Survivors for Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Commission for Victims and Survivors for Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following area: management override of controls;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material

misstatement due to fraud and non-compliance with laws and regulations;

- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



Dorinnia Carville

Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
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Date 21 December 22