

EB/SP/G4757

10 December 2024

The Directors
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Dear Sirs

We are pleased to present our report in connection with the audit of the financial statements for the year ended 31st March 2024.

As auditors, we are not required to design audit procedures for the specific purpose of identifying matters of governance interest. In consequence, audit matters of governance interest include only those matters that have come to our attention as a result of our normal audit procedures.

We have complied with the FRC's Ethical Standard and any threats to our independence, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the directors of Glenwood Enterprises Limited and must not be shown to third parties without our prior consent. No responsibilities are accepted by Baker Tilly Mooney Moore towards any party acting or refraining from action as a result of this report.

Introduction

Professional auditing standards require auditors to report certain matters arising from the audit of the financial statements to 'those charged with governance'.

ISA (UK) 260 specifically requires us to communicate the following matters to those charged with governance:

- views about the qualitative aspects of the entity's accounting practices and financial reporting;
- final draft of the representation letter, that the auditor is requesting management and those charged with governance to sign;
- uncorrected misstatements;
- expected modifications to the auditor's report;

- summary of significant audit findings
- material weaknesses in internal control identified during the audit;
- matters specifically required by other ISA's (UK) to be communicated to those charged with governance; and
- any other audit matters of governance interest.

We have set out below the matters arising from our audit of the financial statements for the year ended 31 March 2024.

Qualitative aspects of the entity's accounting practices and financial reporting

There are no matters which we wish to bring to your attention.

Final draft of the representation letter

This has been issued under separate cover, which we have enclosed.

Uncorrected misstatements

There are no uncorrected material misstatements, a summary of the immaterial unadjusted errors has been attached the representation letter.

Expected modifications to the auditor's report

We do not anticipate any modifications to the audit report.

Summary of significant audit findings

Significant risk area identified at planning	Findings and recommendations
Revenue recognition	<p>We documented the internal control processes for income recognition in the Charity.</p> <p>We considered the accounting policies adopted by the Charity and subjected income to an appropriate level of testing to identify any material misstatement.</p> <p>We completed a substantive analytical procedure where we compared the expected rental income based on the number of tenants and rent per tenant to the actual rental income per the financial statements.</p> <p>We also vouched rental income charge to sample of tenant's agreements.</p> <p><i>We are satisfied that revenue recognition is appropriate and fairly recorded in the financial statements.</i></p>
Management override of controls	<p>We documented and reviewed internal control processes and procedures as part of our planning.</p>

Significant risk area identified at planning	Findings and recommendations
	<p>We reviewed in detail areas such as provisions, accruals, accounting estimates and unusual transactions for evidence of management bias. We reviewed the minutes for the year for evidence of unrecorded transactions. We also checked a selection of journal entries throughout the year to ensure the accounting treatment was appropriate.</p> <p>We also performed unpredictable procedures to provide reasonable assurance that the accounts are free from material misstatement.</p> <p><i>Our work has not highlighted any issues to be brought to your attention.</i></p>
<p>Related party transactions</p>	<p>We have performed the following:</p> <ul style="list-style-type: none"> - Understood and evaluated the procedures and controls relating to this risk. - Considered the accounting policies adopted by the Charity and subject related party transactions to the appropriate level of testing to ensure classified & disclosed accordingly. - Reviewed board meeting minutes, bank statements and accounting records for unusual & material transactions. - Where material related parties have been identified, confirmed or discussed specific aspects of the transactions with intermediaries such as banks, law firms, guarantors, or agents, where practicable and not prohibited by law, regulation or ethical rules. - Where material related parties have been identified, confirmed the purposes, specific terms or amounts of the transactions with the related parties. - Where applicable, read the financial statements or other relevant financial information, if available, of the related parties for evidence of the accounting of the transactions in the related parties' accounting records. - Obtained written confirmation from TCWG related party transactions have been disclosed. <p><i>Our work has not highlighted any issues to be brought to your attention.</i></p>

Material weaknesses in internal control

Our audit noted the following material weakness in your systems of accounting and financial control which we consider should be reported to you:

Control weakness identified	Potential implications and recommendations
Insurance BTMM noted that the Charity is underinsured in property damage insurance in relation to the rental income. The insured value for 24 months of rent is £275,000 compared to c. £480,000 based on the current year's annual income.	<i>Weakness</i> Insurance coverage for 24 months rent is underinsured. <i>Effect</i> Potential lack of funds in case of unforeseen events that the Charity will have to rely on the insurance claim. <i>Recommendation</i> We recommend that the insurance cover should be at least at the level of the actual rental income. <i>Management's response</i> We can increase the loss of rent figure. We will let the insurers know and get advised of any difference in premium.

Matters specifically required by other ISA's (UK) to be communicated to those charged with governance

There are no such matters which we are required to bring to your attention.

Any other relevant matters relating to the audit

There are no other matters that we wish to bring to your attention.

Yours faithfully

Baker Tilly Mooney Moore