

## **Accounts 2022 - Some Observations**

### **Re. the Solidarity Fund**

- Money seems to have been put aside during 2019 (11k) and 2020 (21k) for a Solidarity Fund, 32k in all.
- Nothing seems to have been set aside since, and it seems unclear if it is still set aside.

### **Re. National Fundraising**

- In the past 5 years national fundraising seems to have cost more than it raised with the exception of 2020 where it raised 110k for a cost of 43k.
- Total arising to national organisation from this source over the five year period appears to have been 72k.

### **Re. National Centres**

- Surplus from National Centres (Larch Hill, Lough Dan, Killaloe) seems to be 179k (639k-460k)
- Castle Saunderson is not included, as this is handled by a different company.

### **Re. income sources and expenditure categories**

- Main income stems largely from a core Government Grant of 1.505m and membership fees 2.034m.
- Most significant expenditure is for staff costs of 1.702m, this cost has been fairly static over the past 5 years.
- There are three reported high-earning staff members, 1 with a salary > 70k and 2 > 90k.

### **Re. Provision for Historic Cases**

- The annual accounts since 2018 show a provision each year for historic cases and this has impacted the reported surplus / deficit each year in that period.
- The 2022 report also indicates that an amount has been reclassified in the 2021 accounts from "creditors amounts falling due within 12 months" to this provision.
- This adjustment has the effect of increasing the booked amount for the provision by 560k, giving an accumulated amount for this provision as 7.403m.

### **Re. Annual Surplus / Deficit**

- The provision for historic cases each year since 2018 has impacted the reported surplus / deficit each year.
- The report states that there was a 1.7m shortfall in 2020, caused by a number of matters, and that this has improved to a 242k surplus in 2022.
- It is worth noting that if the provision in 2020 (2.06m) was taken out of the picture then there would have been a surplus that year of 333k.
- In fact the underlying results for each year seems to be -383k (2018), -238 (2019), 333 (2020), -71 (2021), 482 (2022) which sums to a surplus of 123k for the 5 year period.

### **Re. Going Concern**

- The annual report states that the assessment that the company can continue to operate and pay the bills covers the period up to January 31st 2025. Based on the annual report it seems

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that if the legal cases were to be successful we would then become liable for payments amounting to an estimated 7.4m.

- There is provision in the accounts for this amount but there does not appear to be any cash or assets to cover the cost, so it seems we would have to find that money or cease trading.
- Per the 2022 accounts, assets exceed liabilities by 1.8m, and this doesn't take account of any costs which would arise from a cessation. It seems not unreasonable to think that such costs, were they to arise, would go a long way towards absorbing that amount.
- So in the event of the estimated cost of historic cases arising, it seems that the company could have to close down owing something in the region of that amount.