

**Waterford Leader Partnership CLG
(a company limited by guarantee and
not having a share capital)**

**Annual Report and Financial Statements
Year ended 31 December 2022**

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Year Ended 31 December 2022

TRUSTEES AND OTHER INFORMATION

Trustees

Micheál Cosgrove (Chairperson)
Donal Murphy
James Coughlan
Noel Hackett
Frank Nolan
Austin Flavin
Frank Seery
Brid Kirby
Gráinne Moynihan
Seán Osborne
Peter O'Rourke (appointed 01/12/22)
Richard Hayes (appointed 13/02/23)

Secretary and Registered Office

James Coughlan
John Barry House
Lismore Business Park
Lismore
Co. Waterford

Statutory Auditors

JBW Accountants UC
Certified Public Accountants and Statutory Auditors
Dungarvan
Co. Waterford

Company Number

189661

Solicitor

Joseph P. Gordon & Co.
The Burgery
Dungarvan
Co. Waterford

Chief Executive Officer

Jimmy Taaffe

Financial Controller

Angeline Drennan, CPA

Bankers

Bank of Ireland &
Allied Irish Banks
Dungarvan & Lismore
Co. Waterford

CRA Number

20070748

CHY Number

18451

Year Ended 31 December 2022

CHIEF EXECUTIVE OFFICER REPORT

2022 saw the welcome exit of the country from the Covid-19 Pandemic restrictions and a return to more normal operations. The year commenced still in the restrictive Covid-19 phase, but by April of 2022 the veil of uncertainty regarding lockdowns slowly lifted and company activity in terms of project approvals and completions returned to expected levels.

On a policy level, the elephant in the room was around the future of the Local Employment Service and its future, including the future of the staff, dominated eight months of 2022. For the Board there were difficult questions and various concerns about tendering for the new Local Area Employment Service. For the relevant staff, there were issues around job security, future options and whether those who could not go forward in the new initiative would be eligible for redundancy.

The Board of Waterford LEADER Partnership CLG decided in January 2022 to bid as the main contractor for the Local Area Employment Service for Waterford City and County and South Tipperary. The bid was successful, and the following outcomes flowed from the bid:

- 4 year c.€7m Contract to deliver INTREO services in the areas listed above.
- Waterford Area Partnership CLG and South Tipperary Development CLG were engaged as subcontractors.
- Voluntary redundancy scheme costing €31,982. The Company is working with the Irish Local Development Network to have these monies reimbursed by Department of Social Protection.
- The two positions were suppressed.
- The LAES commenced operations in September 2022. It is anticipated that the ramping up of the service will create an initial deficit, due to initial setup costs, that will wash out over the term of the contract.

For clients of WLP CLG and the programmes it operates on contract, 2022 has seen a continued focus on collaboration with philanthropy, particularly Tomar Trust. Without the continued assistance of Tomar Trust many worthwhile initiatives would not get off the ground.

Work has continued with Waterford City and County Council (WCCC) through the LCDC on the LEADER Programme, with €884,075 allocated in 2022, which was the final tranche of the programme. LEADER payments out to projects totalled €2,275,499, which was a €1.5m reduction on 2021. This is significant in that, despite Covid-19, projects were not renegeing on their contracts and pressed ahead to fulfilment.

2022 saw the completion of the Blackwater Economic Development Zone, a four office, €2.8m initiative in four towns, Tallow, Lismore, Cappoquin and Villierstown. It should be noted that the projects came in on budget, despite the delays and inflation in materials.

As with 2021, one of our main customers is the Dept. of Social Protection (DSP). WLP CLG operated the Tús, RSS, and the LES / LAES Programmes on behalf of DSP. With the reduction in Covid-19 restrictions, the programmes have got back on the road, and this has helped to maintain participation rates in a very low unemployment environment, which was a good achievement after a turbulent two years in 2020 and 2021.

November 2022 saw the renewal of the Social Farming contract. Tomar Trust has also continued with its commitment to Social Farming for 2023. Placements in Social Farming were dealt with on a continuous basis. 2022 saw the highest number of annual placements at 1,400 days. This level of activity is showing that social farming is gaining traction in the region. WLP CLG covers the whole CHO5 area, which is Waterford, Wexford, Sth Tipperary Carlow and Kilkenny.

Under LEADER, the Board engaged two graduates in November 2021 and February 2022 specialising in Biodiversity and Sustainability to assist the company in preparing and planning for the next LEADER Programme. These graduates assisted on biodiversity and circular economy initiatives, but due to a reduction in the LEADER budget for 2023-2027, it was not possible to retain their roles going forward.

In 2022, the Board, with the assistance of the Financial Controller, reviewed its policies and procedures and will conclude the rollout of the process around the Charities Governance Code during 2023.

The Audit Committee and Financial Controller have continued to guide the company to a consolidated position. The focus on strategy and governance will continue in tandem with an implementation strategy based on the principles of sound project management.

Year Ended 31 December 2022

Plans for 2023

- Have the LAES (Local Area Employment Service) fully operational.
- Have the new 2023 - 27 LEADER Strategy, developed, approved, and commence operations in late 2023.
- Attain 100% payment of the LEADER Transitional and Euri Funds by the end of 2023
- Attain HSE funding for the Social Farming initiative for 2023
- Ensure that the TUS and RSS numbers attain contractual stability, i.e. 140 participants on Tus and 15 participants on RSS
- Prepare and submit the LEADER bid to the LCDC and DRCD as required in 2023.
- Future proof staff and Board transition
- Continue to operate the existing initiatives professionally and effectively.

Jimmy Taaffe
C.E.O.

Year Ended 31 December 2022

TRUSTEES' REPORT

Statement of Trustees' Responsibilities

Irish company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. Under that law the Trustees have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and Irish law). In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the statutory financial statements and Trustees report comply with the Companies Act 2014 and enable the statutory financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The company secretary is responsible for all company secretarial work. This includes recording minutes of all meetings, the Annual General Meeting and notice of these meetings, in the company register, the maintenance of all statutory records, including submission of the Annual Return to the Companies Registration Office, and ensuring that the company complies with all of the Companies Act, 2014.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Trustees is aware of no relevant audit information of which the company's statutory auditor is unaware and has taken the necessary steps to establish that the auditor is aware of all relevant audit information.

Disclosure of information to the auditors

In accordance with Section 330 of the Companies Act 2014, so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the board

Micheál Cosgrove, Chairperson & Director

James Coughlan, Director & Secretary

Date: 28th August 2023

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Charity Reporting

The Trustees of a charitable company are its Trustees for the purposes of charity law and the terms Trustee and Director are used interchangeably throughout the report. The Trustees present their Annual Report and Audited Financial Statements for the year ended 31 December 2022. The company is constituted as a company limited by guarantee and not having a share capital. The company is a registered charity under the Charities Act 2009 (Registered Charity Number 20070748) and holds Revenue Commissioner Charitable Status (CHY 18451).

This report incorporates statutory requirements as outlined in the Companies Act 2014. The Charities SORP (FRS 102) is not yet mandatory in the Republic of Ireland and the Irish Charities Regulatory Authority (CRA) has not yet prescribed accounting regulations for Irish charities. In the absence of such prescriptive guidance, the Trustees have been early in adopting the Charities SORP (FRS 102) – which is considered best practice.

Incorporation

The company was incorporated as a company limited by guarantee and not having a share capital on 29th May 1992.

Principal Activities

The company operates as a rural development company and manages a number of socio-economic development programmes. The main objectives of the company are to promote, support, assist and engage in: Social Development; Enterprise Development (to facilitate rural regeneration) and; Community Development (designed to benefit and promote the welfare of local communities or to deal with the causes and consequences of social and economic disadvantage or poverty). The main areas of activity involve the operation and management of a number of socio-economic development programmes, namely:-

- Rural Development Programme
- Local Employment Service & Local Area Employment Service
- Rural Social Scheme
- TUS (Community Work Placement Initiative)
- Social Farming and Community Sponsorship Programme

Rural Development Programme - RDP

LEADER is a community led approach to local development funded through Ireland's Rural Development Programme 2014-2020. Transition funding has been put in place for 2021 and 2022. The scheme is funded under Priority 6 of the Programme, which promotes social inclusion, poverty reduction and economic development of rural areas. It supports locally identified initiatives (at local or sub-regional level) that seek to address locally identified needs and challenges. It is delivered by a network of Local Action Groups (LAG), which have been selected to implement Local Development Strategies for their respective sub-regional areas. The LAG for Waterford is the Waterford Local Community Development Committee. The Financial Partner is Waterford City & County Council. Waterford Leader Partnership CLG is the Implementing Partner and has a service level agreement with the LCDC for the duration of the programme. Together with its partners, the company submitted an application for the tender for the 2023-2027 Program in July 2023.

Local Employment Service - LES

The Local Employment Service Network - LES - provides a guidance and placement service for the unemployed. Waterford Leader Partnership CLG provides this service under contract to Department of Social Protection. The LES forms one strand in a dual-stranded National Employment Service (NES). The objective of the LES is to provide services to the long-term unemployed and those most removed from the labour market, as a direct response to the local context within which the LES is located. The LES delivers personalised services to those most in need and most distanced from the labour market.

The LES is a service which assists the jobseeker in taking practical steps towards securing employment by providing access to a range of employment, training and education opportunities. The service also provides jobseekers with assistance with CV's, Cover Letters and Interview Preparation. The LES is a free and confidential service for all jobseekers who are unemployed and in receipt of a Social Welfare payment. The LES contract ended on 31 August 2022.

Local Area Employment Service - LAES

The Local Area Employment Service provides employment assistance and advice services to clients referred by the Department of Social Protection (DSP). The clients are primarily those who are long-term unemployed, in receipt of a social welfare payment, furthest from the labour market with barriers to labour market participation and that warrant the provision of intensive employment support services. The service is also provided to others who, although they are not long term unemployed, are considered by the Department to warrant the provision of intensive employment support services.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Principal Activities (continued)

WLP has signed a contract with the Department of Social Protection for the period 16th August 2022 to 15th August 2026, with the option for DSP to extend by one or two 12 month periods. The contract covers Waterford City and County as well as South Tipperary. Waterford Area Partnership CLG and South Tipperary Development CLG have been engaged, under service level agreements, to cover Waterford City and South Tipperary, respectively.

Rural Regeneration & Development

Local Community Organisations are tasked to implement specific economic and social actions in each of their villages to create a coherent and linked economic zone that will attract remote working, new enterprise, new technology, promote environmentally friendly practices such as less commuting to work, the development of brown field sites, the use of new technology to reduce energy costs, and sustainable tourism based on natural attributes and local built heritage assets.

Tús - Community Work Placement Scheme

The Tús initiative is a community work placement scheme providing short-term working opportunities for unemployed people. The work opportunities are to benefit the community and are to be provided by community and voluntary organisations in both urban and rural areas. The Tús initiative is managed by Waterford Leader Partnership CLG in County Waterford (excluding Waterford City) for the Department of Social Protection, which has overall responsibility for the scheme. Unemployed people who are eligible to participate in the scheme are selected and contacted by the Department of Social Protection. Tús are also allowed to accept up to 30% of their placements through self-referral. To be eligible to participate in the Tús scheme a candidate must have been continuously unemployed for at least 12 months and be "signing on" on a full-time basis.

All of the work undertaken while participating on Tús will be beneficial to the local community and the types of projects carried out are likely to include:

- Energy conservation work in homes and community buildings
- Social care of all age groups and persons with a disability or limited mobility
- Caretaking, securing, supervising of community buildings and spaces
- Renovation of community and sporting facilities, including the regeneration and enhancement of community, recreation and sporting spaces
- Work in support of the promotion of the Irish language, other cultural and heritage activities
- Community administration, research and community event management
- Coaching for sporting activities (where operated by designated sporting organisations)
- Repair of equipment for developing world – farm tools, bicycles, computers, sewing machines, health equipment.

Community Sponsorship Programme

Community Sponsorship Ireland (CSI) is an alternative resettlement stream to the traditional state-centred model of resettlement. The CSI model which is being piloted seeks to enable a Community Sponsorship Group (CSG) to come together to support arriving refugees. The local group provide supports around access to housing and to different state services.

Community Sponsorship Ireland draws from the Canadian model and has been developed in Ireland in cooperation with Global Refugee Sponsorship Initiative (GSRI), the Irish Red Cross, NASC, Irish Refugee Council and the UNHCR. Refugees arrive in Ireland following selection by UNHCR and a vetting process overseen by Irish Refugee Protection Programme.

Waterford Leader Partnership have been designated and trained as a Regional Support Organisation. The company supports Community Sponsorship Groups with practical advice and links to the local community through funding from the Department of Children, Equality, Disability, Integration & Youth. Syrian families have been welcomed and are being supported by community groups in the Lismore and Tallow areas.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Principal Activities (continued)

Social Farming

Social Farming is the practice of offering activity on family farms as a form of social support service. In Social Farming the farm remains a working farm at its core but invites people to participate in the day to day activities of the farm. Social Farming provides people who use services with the opportunity for inclusion, to increase self-esteem and to improve health and well-being. Waterford Leader Partnership CLG provides this service under contract to the Leitrim Development Company with the assistance of the Department of Agriculture Food & the Marine, in the South-East of Ireland. Waterford Leader Partnership CLG also receives some philanthropic funding from the Tomar Trust.

The key programme goals of this programme are as follows:

- To recruit a regional network development worker to be the main contact for Social Farming for the National Office.
- Develop regional networks that involve all key stakeholders, and promote the project at regional and national level.
- Support existing social farmers in progressing their service offering, providing briefing sessions, introductory workshops and induction to potential social farmers
- Establish working relations with service providers and other participant representative organisations at a regional and local level
- Recruit and support new social farmers, make arrangements for placements, arrange training events.

Rural Social Scheme - RSS

Waterford Leader Partnership CLG provides this service under contract to the Department of Social Protection in County Waterford (excluding Waterford City). RSS is targeted to farmers and fishermen and their spouses who are currently in receipt of long-term social welfare payments. In effect it is a Community Employment Scheme to provide services of benefit to rural communities by harnessing the skills and talents available among low-income farmers, fishermen and fisherwomen. The sort of work they are carrying out varies from environmental maintenance work (maintenance and caretaking of community and sporting facilities), to community after-schools groups and community pre-schooling groups (spouses can also participate). Successful applicants for the scheme who are in receipt of Farm / Fish Assist, may receive this payment from the Department of Social Protection so long as they participate on the scheme.

The Walks Scheme

The Walks Scheme was launched nationally in 2008 and is aimed at farmers, private landowners, landholders and land users. It involves the development, enhancement and maintenance of developed trails which are approved by Sport Ireland and listed on the National Trails Register.

The Department provides a funding contribution towards the employment costs of Rural Recreation Offices (RROs) in the LDSs, with a contribution also provided by Failte Ireland. The RRO assists with the delivery of the Scheme and supports other outdoor recreation initiatives at local level.

WLP was awarded the Walks Scheme for County Waterford in 2022. A service level agreement has been signed between WLP and the Department of Rural and Community Development outlining the roles and responsibilities and the terms and conditions of the Scheme.

Trustees

In accordance with the Constitution of the Company the Trustees of the company now has a five way membership, comprising of representatives from the following sectors:-

	2022	2021
• National Social Partners	- 2 Trustees	- 2 Trustees
• Local Government Sector	- 2 Trustees	- 2 Trustees
• Community & Voluntary Sector	- 4 Trustees	- 3 Trustees
• State Statutory Sector	- 4 Trustees	- 4 Trustees
• Skill based appointments	- 0 Trustees	- 0 Trustees

The Trustees retire by rotation on a three-year cycle (except for the chairperson) and if eligible under the Memorandum of Association may offer themselves for re-election, provided that no person shall be reappointed more than twice and no person shall hold office for more than two consecutive terms. The Chairperson holds office for a three-year term.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Trustees (continued)

In accordance with the Constitution the company shall have a minimum of 8 Trustees and a maximum of 16 Trustees. The Trustees of the company during the year ended 31 December 2022, all of whom were Trustees of the company for the year unless otherwise stated, were:-

Micheál Cosgrove; James Coughlan, Donal Murphy; Peter McLoughlin(resigned 26/09/22); Austin Flavin; Frank Seery; Brid Kirby; Noel Hackett;; Frank Nolan; Grainne Moynihan; Seán Osborne, Peter O'Rourke (appointed 01/12/22).

The following Trustees are due to retire at the AGM in September 2023: Micheál Cosgrove, James Coughlan, Donal Murphy and Noel Hackett.

Structure, Governance & Management

The company was incorporated, under Irish Company Law, as a company limited by guarantee and not having a share capital, on 29th May 1992. The liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up, such amounts as may be required, not exceeding €0.01 each. The company was established under a Memorandum of Association (amended under Special Resolution dated 25th September 2017) which established the objects and powers of the company and is governed under the Articles of Association and managed by a Trustees.

The company is governed by the Trustees, the maximum number of which can be sixteen. The Board is responsible for determining the policies and overall strategic direction of the company. It has ultimate responsibility for the organisation. It meets regularly and delegates the day-to-day operations to the Chief Executive. The Trustees are unpaid and provide their time in a voluntary capacity.

During the year the Board met on eight occasions. The Board is committed to maintaining the highest standards of corporate governance and has adopted the principles of good corporate governance as outlined in the Irish Development NGO's Code of Corporate Governance. The Trustees determined that it was appropriate for the Company to comply with the Code and every effort is made to do so. The Board operates a board meeting and board member evaluation processes which is used constructively as one mechanism to improve board effectiveness.

The Board retains overall governance responsibility, including the establishment and approval of all general policies and internal control practices under which management operates. Internal controls over all forms of commitment and expenditure continue to be reviewed and amended as necessary to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both senior management and the Trustees. Various internal control systems are in place to enable the Company function effectively and efficiently. They include:

- Strategic plan and annual budget approved by the Board;
- Regular consideration by the Board of financial results, variances from budgets, and non-financial performance indicators;
- Delegation of day-day management authority and segregation of duties to the CEO and management team;
- Identification and management of risks.

The Company also have in place a Finance, Audit & Risk Committee which consists of four members of the Board along with the Financial Controller and the Chief Executive. The main objectives of the Committee are:

- To review the annual audited financial statements of the Company and to recommend them to the Board;
- To take responsibility on behalf of the Board for overseeing all aspects of financial planning, management, assess internal financial controls and monitor risk management;
- To recommend the re-appointment / replacement of the statutory auditor.

Reference and Administrative Details

The Company's senior management team is led by the Chief Executive Officer (CEO), Mr. Jimmy Taaffe. Interaction and communication between the Board and the senior management team is channelled via the CEO. Senior managers make presentations to the Board on their respective areas and interact with Board Sub-Committees respectively as required.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Principal Risks and Uncertainties

The Trustees of the Company recognise their responsibility to regularly review and assess the risks faced by the Company in all areas of its work and to plan for the management of those risks. Risk can be defined as the uncertainty surrounding events and their outcomes that may have a significant impact, either enhancing or inhibiting on any of the Company's operations. By managing risk effectively, the Trustees can help ensure that:

- Significant risks are known and monitored, enabling Trustees to make informed decisions and take timely action;
- The Company makes the most of opportunities and develops them with the confidence that any risks will be managed;
- Forward and strategic planning are improved;
- The Company's aims are achieved more successfully.

The Trustees therefore confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the company and that there has been in place for the year under review and up to the date of approval of these financial statements.

Liquidity risk

The company has made a detailed review of its liquidity risk and considered that it is capable of meeting its liabilities as they fall due. The company considers that it is compliant with the criteria of the service level agreements / contracts in place for the delivery of the various schemes and at this time do not anticipate any particular liquidity problems or issues regarding the company's financial situation for the next 12 months.

Asset Management Risks

The board is aware of the need to safeguard the assets of the company and to put in place a robust internal control environment over assets and equipment owned by the company. The company maintains an up-to-date fixed asset register and undertakes an audit of same on an annual basis.

Socio-economic schemes

Waterford Leader Partnership CLG is reliant on funding from the socio-economic schemes detailed below and would find it difficult to continue in existence in the event of some or all of this funding being withdrawn. The contracts under which the company secures the principal sources of funding are renewed as follows:-

Source	Scheme	Frequency
Waterford City & County Council – Sponsoring Department: Dept. of Rural & Community Development	Rural Development Programme	Contract 2014 – 2020 (Extended 2022)
Dept. of Social Protection	Local Employment Service	Annual – ceased 31 August 2022
	TÚS – community work place initiative	2021 - 2024
	Rural Social Scheme	Annual – 2021
	Local Area Employment Service	2022 - 2026
Dept. of Agriculture, Food and the Marine	Social Farming	Annual – 2022
Dept. of Rural & Community Development	Small Capital Grants	2020
Dept. of Rural & Community Development	The Walks Scheme	Annual - 2022
Dept. of Rural & Community Development	Rural Recreation Officers	Annual - 2022
Dept. of Rural & Community Development	Outdoor Recreation Infrastructure Scheme	2020

On the basis of existing contracts with the respective bodies, the Trustees expect to secure similar levels of funding in the coming year. However, there is no certainty regarding how government policy will impact on the future administration of this funding. This may adversely affect the ability of the company to plan and resource its work. The Trustees are aware of these issues and monitor any change in terms and conditions of funding. The ongoing scale of operations of the company is dependent on raising this funding.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Principal Risks and Uncertainties (continued)

LAES Contract Risks

The company was awarded the Local Area Employment Services contract in August 2022. This contract was awarded following a competitive tender process. This is a four-year contract. The contract has a number of specific risks that could individually or collectively have a future negative impact on the financial reserves of the company. The contract involves an upfront payment following the referral of a client by DSP to the company but requires the company to continue to service the DSP clients for a period of twelve months from the date of the sign-off of the referral. The specific risks that could have a negative impact on the financial reserves of the company are: (1) delays in referrals of clients by DSP; (2) failures by the company to meet KPI targets; (3) increased operating costs over the term of the contract; (4) client non-attendance rates in excess of expectations; (5) high staff turnover and (6) contract termination costs. The Trustees are aware of these risks and continue to monitor the performance of the contract carefully. Any ongoing surplus arising from the ongoing operation of the contract will be ring-fenced to covers any financial risks identified.

Staff Skills & Safeguarding Risks

The company operates in an environment that requires skilled staff. There is an ongoing need to monitor staff performance and to put appropriate training plans in place. The protection of vulnerable persons is a key matter for the company. Sourcing skilled staff is becoming more challenging as staff mobility increases. Management continues to monitor the skills needs of the company and have in place the appropriate safeguarding and health & safety policies to mitigate any risks arising.

Cyber Security & Data Protection Risks

The company is dependent on robust information technology systems and infrastructure for most of its data recording and management reporting and partially in its delivery of services. An adverse event could result in significant reputational damage and a potential resultant loss in funding. Policies are in place for the protection of both business and personal data, as well as in the use of IT systems and applications by company staff. Regular monitoring of compliance and appropriate contracts with IT services providers are in place to mitigate these risks.

Review of the business and future developments

The Trustees acknowledge the result for the year and consider it to be in line with expectations. The company's main source of income consists of allocations from socio-economic development programmes for administration costs. Aside from these allocations for administrative costs, the other source of funds is currently by way of sub-renting of leased premises. The Trustees expect the company to match its expenditure costs with appropriate income streams in the next financial year.

The company intends to continue running the programmes listed above, subject to contracts being renewed and funding being continued. The LES contract expired on 31st August 2022. WLP has been awarded, together with Waterford Area Partnership (WAP) and South Tipperary Development Company (STDC), for the new Local Area Employment Services contract which runs up to August 2026.

Results for the year and state of affairs as at 31 December 2022

The income and expenditure account for the year and the balance sheet as at 31 December 2022 are set out on pages 17 and 18. The deficit on ordinary activities before taxation amounted to €79,491. After deducting taxation of €nil an amount of €79,491 has been absorbed by the company. This deficit arises from: (1) startup costs in excess of income on the LAES contract in the amount of €33,670; (2) LES staff redundancy costs in the amount of €31,982; Loss on disposal / write-off of assets €4,803; and other discretionary expenditures in the sum of €9,036 during the year.

Reserves Policy

The Board of the Company has set a reserves policy which requires:

- Reserves be maintained at a level which ensures that the Company organisation's core activity could continue during a period of unforeseen difficulty.
- A proportion of reserves be maintained in a readily realisable form.

This takes into account:

- Risks associated with income and expenditure being different from that budgeted
- Planned activity level and potential opportunities
- The organisation's contractual commitments
- The cost associated with potentially having to make staff redundant in an emergency situation

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Reserves Policy (continued)

The calculation of the required level of reserves is an integral part of the organisation's annual planning, budget and forecast cycle. The level of reserves is kept under constant review through ongoing financial reporting and production of annual audited accounts. As of the most recent review in 2020, the Trustees determined that, based on the above analysis, the total sum of reserves that the organisation should carry on an ongoing basis would be equivalent to two months operating overheads.

The Trustees have also examined the company's requirement to maintain an appropriate level of reserves in light of the main risks to the organisation and have reviewed its policy to generate unrestricted funds not committed or invested in tangible fixed assets, chiefly by way of maximising other income e.g. rental income and the LAES contract operation. The company has received minimal income of a discretionary nature since its incorporation. The Trustees are considering other activities / programmes that may contribute to the company's reserve. The unrestricted reserves held by the company at 31st December 2022 were €7,745 (2021: €87,236).

The Board notes the shortfall in reserves when compared to its Reserves Policy. The Executive is in continual communication with the relevant funding agencies with a view to securing agreement on funding of any shortfall in contingent liabilities that might arise in the event of a scheme not being renewed or staff costs being covered by TUPE as happened in the case of LES in 2022. However, there is no certainty on this and the relevant funding bodies have not given any contractual commitments at the time of sign-off of these financial statements. The Trustees also note the nature of the deficit arising in 2022, detailed herein and do not anticipate a repeat of these one-off costs. The Trustees note the financial risks associated with the LAES contract but over the period of the four years of the contract expect the contract to return a net surplus for the company.

Trustees' liabilities

The company has granted an indemnity to its Trustees against liability in respect of proceedings that may be brought by third parties, subject to the conditions set out in the Companies Act, 2014. Such qualifying third-party indemnity provision remains in force as at the date of approving the Trustees' Report. No claims were made against this indemnity during the year.

Taxation Status

The company holds exemption from Corporation Tax, DIRT and Capital Gain Tax under Sections 76, 266 and 609 respectively of the Taxes Consolidation Act 1997.

Research & Development

The company did not engage in any research and development activity during the year.

Proper Books and Records

To ensure that proper books and accounting records are kept in accordance with Sections 281 to 285 of the Companies Act, 2014, appropriately qualified and experienced personnel maintain the accounting records on a computerised accounting system. The books are located at John Barry House, Lismore Business Park, Lismore, Co. Waterford.

Transactions involving Trustees

There were no contracts or arrangements of any significance in relation to the business of the Company in which the Trustees had an interest, as defined by the Companies Act, 2014 at any time during the year ended 31 December 2022.

Political Contributions

The company did not make any disclosable political donations or contributions in the current year.

Going Concern

The company's activities, together with the main risk factors likely to affect its future development and performance, are described above. After making enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Financial Statements. The Board therefore continues to adopt the going concern basis in preparing its Financial Statements. In reaching this conclusion the Trustees have had due regard to the existing schemes in place with a number of bodies across different socio-economic activities, available cash reserves and cash generation from operations which taken together provide confidence that the company will be able to meet its obligations as they fall due.

Year Ended 31 December 2022

TRUSTEES' REPORT – continued

Post Balance Sheet Events

No events have occurred subsequent to the Balance Sheet date, which require disclosure in the financial statements except as detailed in Note 21 hereto.

Statutory Auditors

The auditor, JBW Accountants UC, will continue in office in accordance with the provisions of Sections 380(2) of the Companies Act, 2014.

On behalf of the board

Micheál Cosgrove, Chairperson & Director

James Coughlan, Director & Secretary

Date: 28th August 2023



John B. White & Co.
Certified Public Accountants
& Registered Auditors

3, Church Street,
Dungarvan,
Co. Waterford
VAT No. IE3410092WH
Tel. (058) 45878 / 45879
Fax. (058) 48435

INDEPENDENT AUDITORS' REPORT: To the members of Waterford Leader Partnership CLG

We have audited the financial statements of Waterford Leader Partnership CLG for the year ended 31 December 2022 on pages 17 to 30, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council".

In our opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the assets, liabilities and financial position of the company as at 31 December 2022 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act, 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) [ISA's (Ireland)] and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) concerning the integrity, objectivity and independence of the auditor, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information in the annual report. Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of our audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- In our opinion the financial statements are in agreement with the accounting records.
- In our opinion the information given in the Trustees' report is consistent with the financial statements.
- In our opinion, the Trustees' report has been prepared in accordance with the requirements of the Companies Act 2014.

Emphasis of Matter – Financial Situation

In forming our opinion we have considered the adequacy of the information detailed in the financial statements and in particular in note 25, concerning the company's dependence on the renewal of government funded schemes and agreement with funding bodies regarding contingent liabilities. In view of the significance of this matter we consider that it should be drawn to your attention. Our opinion is not qualified in this respect.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Trustees' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 3, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the company'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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's (Ireland) 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.

As part of an audit in accordance with ISA's (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.
- Comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors, including the circumstances set out in note 26 to the financial statements

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act, 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John B. White, FCPA

For and on behalf of:

JBW Accountants UC

t/a John B. White & Co.

Certified Public Accountants and Statutory Audit Firm

Dungarvan

Co. Waterford

Date: 28th August 2023

Waterford Leader Partnership CLG
(A company limited by guarantee and not having a share capital)

Year Ended 31 December 2022

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME & EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds 31 December 2022 €	Restricted Funds 31 December 2022 €	Total Year Ended 31 December 2022 €	Total Year Ended 31 December 2021 €
Income from charitable activities:-					
Continuing operations		313,679	764,732	1,078,411	894,080
Discontinued operations		-	198,446	198,446	2,340
	1	313,679	963,178	1,276,857	896,420
Expenditure on charitable activities					
Administration costs:-					
Continuing operations		(415,530)	(764,732)	(1,180,262)	(902,312)
Discontinued operations		-	(198,446)	(198,446)	(2,340)
		(101,851)	-	(101,851)	(8,232)
Other Operating Income	2	22,360	-	22,360	20,568
Operating (deficit) / surplus	3	(79,491)	-	(79,491)	12,336
Interest receivable	4	-	-	-	-
Interest payable and similar charges	5	(-)	-	(-)	(-)
(Deficit) / Surplus on ordinary activities before taxation		(79,491)	-	(79,491)	12,336
Tax on surplus on ordinary activities	6	-	-	-	-
(Deficit Absorbed) / Surplus Retained for the year – continuing operations		(79,491)	-	(79,491)	12,336

All activities are deemed to be continuing.

STATEMENT OF COMPREHENSIVE INCOME
Year Ended 31 December 2022

	Unrestricted Funds 31 December 2022 €	Restricted Funds 31 December 2022 €	Total Funds 31 December 2022 €	Total Funds 31 December 2021 €
(Deficit) / Surplus on ordinary activities after taxation	(79,491)	-	(79,491)	12,336
Other income / (costs) not detailed above	-	-	-	-
Total Recognised Surplus relating to the year	(79,491)	-	(79,491)	12,336

Waterford Leader Partnership CLG
(A company limited by guarantee and not having a share capital)

Year Ended 31 December 2022

BALANCE SHEET as at

	Notes	31/12/2022 €	31/12/2021 €
Fixed assets			
Tangible assets	8	29,612	23,487
Current assets			
Stocks	9	1,328	2,835
Debtors	10	776,403	13,623
Bank and cash – Restricted Funds	11	240,236	411,440
Bank and cash – Unrestricted Funds		141,625	101,867
		<u>1,159,592</u>	<u>529,765</u>
Creditors			
Amounts falling due within one year	12	(940,338)	(73,698)
Restricted Funds Reserve	13	<u>(216,039)</u>	<u>(369,541)</u>
Net current assets		<u>3,215</u>	<u>86,526</u>
Total assets less current liabilities		<u>32,827</u>	<u>110,013</u>
Capital Grants	15	(25,082)	(22,777)
		<u>7,745</u>	<u>87,236</u>
Reserves			
Unrestricted Income Reserves	16	1,015	80,506
Other Reserves	17	<u>6,730</u>	<u>6,730</u>
		<u>7,745</u>	<u>87,236</u>

STATEMENT OF CHANGES IN EQUITY

	Other Reserves €	Retained Earnings €	Total €
At 31 December 2020	6,730	68,170	74,900
Surplus for the year ended 31 December 2021	-	12,336	12,336
At 31 December 2021	<u>6,730</u>	<u>80,506</u>	<u>87,236</u>
(Deficit) for the year ended 31 December 2022	-	(79,491)	(79,491)
At 31 December 2022	<u>6,730</u>	<u>1,015</u>	<u>7,745</u>

On behalf of the board

Micheál Cosgrove, Chairperson & Director

James Coughlan, Director & Secretary

Date: 28th August 2023

The Notes on pages 20 to 30 form part of these Financial Statements

Waterford Leader Partnership CLG
(A company limited by guarantee and not having a share capital)

Year Ended 31 December 2022

STATEMENT OF CASHFLOWS

	Notes	2022 €	2021 €
Cash flows from operating activities			
Operating (deficit) / surplus		(79,491)	12,336
Depreciation charge		13,846	12,735
Grant amortisation		(13,521)	(12,358)
Net Movement in Restricted Fund Reserve accounts		17,702	(2,799)
Loss on disposal of fixed assets		4,803	-
Decrease / (Increase) in stocks		1,507	(2,023)
(Increase) / Decrease in debtors		(762,780)	13,586
Increase in creditors		<u>867,592</u>	<u>838</u>
Cash generated from operations		49,658	22,315
Interest paid		-	-
Corporation tax (paid) / refunded		-	-
Net cash generated from operating activities		<u>49,658</u>	<u>22,315</u>
Cash flows from investing activities:			
Proceeds from sale of tangible fixed assets		-	-
Payments to acquire tangible fixed assets		<u>(24,774)</u>	<u>(20,777)</u>
Net cash paid from investing activities		<u>(24,774)</u>	<u>(20,777)</u>
Cash flows from financing activities			
Capital Grants Received		15,826	20,777
New Short Term loan (repaid) / drawdown		<u>-</u>	<u>-</u>
Net cash generated from financing activities		<u>15,826</u>	<u>20,777</u>
Net increase in cash and cash equivalents		40,710	22,315
Opening cash and cash equivalents		<u>100,656</u>	<u>78,341</u>
Cash and cash equivalents at 31 December	19	<u>141,366</u>	<u>100,656</u>

Year Ended 31 December 2022

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared on the going concern basis and in accordance with Irish statute, comprising the Companies Act, 2014, and comply with the Financial Reporting Standard applicable in the Republic of Ireland (FRS 102 and the Charities SORP). Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Certified Public Accountants in Ireland and issued by the Financial Reporting Council.

Basis of preparation

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets and comply with the Financial Reporting Standards of the Accounting Standards Board (FRS102), except for the company invoking the true and fair view override with regard to the exceptions as detailed hereunder. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Exceptions, as permitted by Section 3.4 of FRS102 and Section 291(5) of the Companies Act 2014

In order for the financial statements to show a true and fair view the Trustees have determined the following format changes to be appropriate:

Income and Expenditure Account - the profit and loss format be renamed to an Income & Expenditure account detailing the income and expenditure by nature. As the company is a company limited by guarantee the capital and reserves section of the balance sheet has been adapted accordingly.

Project Payments – Grant advances to beneficiaries are accounted for as payments are made. Amounts authorised at the Balance Sheet date and awaiting payment are disclosed as commitments.

General Information

The company is a company limited by guarantee and not having a share capital and is incorporated in the Republic of Ireland. The financial statements are presented in Euro, which is the functional currency of the company. The registered office is shown in the Trustees and Other Information page. The principal activity of the company is disclosed in the Trustees' Report.

Fund Accounting

Funding Received – Restricted

Funds received from various funding agencies are credited to the Funding – Restricted Account in the year of receipt. Where funds received have not been distributed to Projects or allocated to administrative expenses they are included under creditors in the balance sheet.

Funding Received – Unrestricted

Unrestricted funds represent amounts which are expendable at the discretion of the Trustees in furtherance of the objectives of the company and which have not been designated for other purposes. Such funds may be held in order to finance working capital, capital expenditure or creation of Reserves under its Reserves Policy.

Expenditure

Projects - Expenditure is recognised when payment is made to the project promoters following receipt of funding from the funding agency.

Administrative Costs – Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes Value Added Tax (VAT) which cannot be recovered and is reported as part of expenditure to which it relates.

Tangible assets

Tangible assets are shown at cost or valuation less accumulated depreciation.

Depreciation is calculated with reference to the above value to write off the asset over their expected useful lives on a straight line basis at the following annual rates:-

	Rate
Office Equipment	25%
Computer Equipment	25%
Leasehold Improvements	10%

Year Ended 31 December 2022

SIGNIFICANT ACCOUNTING POLICIES - continued

Debtors

Known bad debts are written off and specific provision is made for any material amounts, the collection of which is considered doubtful.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Leasing and hire purchase commitments

Finance Leases – Leases of assets where the company has substantially all the risks and rewards of ownership are classified as finance leases. All other leases are operating leases. A determination is also made as to whether the substance of an arrangement could equate to a finance lease. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance cost as appropriate. The asset acquired under the finance lease is depreciated over the shorter of the useful life of the asset or the lease term. The corresponding rental obligation, net of any finance charges, is included in financial liabilities and split between current and non-current, as appropriate.

Operating Leases – Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under such operating leases (net of incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

Taxation

No charge for taxation has been provided in the accounts as the company has been granted charitable status by the Revenue Commissioners. The company is not registered for VAT. Irrecoverable VAT is expensed as incurred.

Stocks

Stocks are valued on a first in first out (FIFO) basis at the lower of cost and net realisable value. Cost comprises invoice price plus handling and transport costs. Net realisable value comprises the estimated selling price, less selling and distribution costs. Provision is made, where necessary, for obsolete, slow moving and defective stocks.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Capital grants are treated as deferred credits and are credited to the income and expenditure account on the same basis as the related tangible assets are depreciated. All other grants are recognised in the income and expenditure account at the time the costs they are intended to compensate are incurred by the company.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, unless the effect of discounting would be immaterial, in which case they are stated as cost.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts and rebates. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from the rendering of services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Dividends

Revenue is recognised when the company's right to receive payment is established.

Year Ended 31 December 2022

SIGNIFICANT ACCOUNTING POLICIES - continued

Pensions

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge to the profit and loss account represents contributions payable by the company to the fund.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:-

Accruals - accrual for costs incurred at the year-end date for which invoices had not been received at the time of approval of these financial statements are provided based on management's best estimate of the cost arising.

Long-lived assets useful lives – the annual depreciation charge depends primarily on the estimated lives of each type of asset class and their estimated residual values. The Trustees review these assumptions in light of prospective economic utilisation and physical condition for each asset. Changes in the assumptions can have a significant impact on depreciation and amortisation charges for a period.

Impairment of assets

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of (a) an asset's fair value, less costs to sell, and (b) its value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each financial reporting period for evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit & Loss Account.

Related parties

For the purposes of these financial statements a party is considered to be related to the company if:-

- The party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial or operating decisions;
- The company and the party are subject to common control;
- The party is a member of key management personnel of the company or a close family member of such an individual or is an entity under the control, joint control, or significant influence of such individuals. A close family member of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS

1 Income

Income comprises of funds received from various grant authorities which are expendable at the discretion of the Trustees in furtherance of the objectives of the company. All income derives from activities in the Republic of Ireland. The amount of income allocated under each scheme is as follows:-

	Year Ended 31/12/2022	Year Ended 31/12/2021
	€	€
Restricted Income		
Local Employment Service	198,446	306,732
Rural Development Programme	367,887	309,903
Rural Social Scheme	29,056	25,758
Social Farming Programme	163,179	118,361
Trial Sponsorship Programme	-	2,340
Small Capital Grants Programme	-	5
Rural Regeneration Programme	957	23,341
The Walks Scheme	72,712	-
Tús	130,941	109,980
	<u>963,178</u>	<u>896,420</u>
Unrestricted Income		
Local Area Employment Service	313,679	-
	<u>313,679</u>	<u>-</u>

2 Other Operating Income (Unrestricted)

	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Tomar GAA funding	816	-
Office Rents and overheads recovered	18,544	18,216
Plaques and stickers	3,000	2,352
	<u>21,360</u>	<u>20,568</u>

3 Operating (deficit) / surplus

	Year ended 31 December 2022	Year ended 31 December 2021
Operating (deficit) / surplus is stated after charging / (crediting):	€	€
(i) Trustees' remuneration	<u>-</u>	<u>-</u>
(ii) Management remuneration & pension contributions	<u>183,079</u>	<u>183,499</u>
(iii) Operating Leases	<u>3,467</u>	<u>3,453</u>
(iv) Depreciation	<u>13,846</u>	<u>12,735</u>
(v) Grants amortised	<u>(13,521)</u>	<u>(12,358)</u>
(vi) Loss on disposal of tangible fixed assets	<u>4,803</u>	<u>-</u>

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Interest receivable (unrestricted)	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Deposit interest	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
5 Interest payable and similar charges	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Interest payable on loans and overdrafts wholly repayable within five years	-	-
Interest payable on all other loans	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
6 Taxation	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Corporation tax	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Under Section 76 of the Taxes Consolidation Act 1997, the income of the company is exempt from corporation tax. The company is also exempt from Income Tax, DIRT and Capital Gains Tax under Sections 207, 266 and 609 TCA'97 respectively.

7 Employees and remuneration

The average number of persons contracted by the company during the financial year was as follows:

	Year ended 31 December 2022	Year ended 31 December 2021
Management	1	1
Administration	11.5	10
	<u>12.5</u>	<u>11</u>
	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
The employee costs comprise of:		
Wages and salaries	561,598	528,602
Social Welfare	63,106	57,819
Redundancy	31,982	-
Staff Pension Costs	45,811	48,562
	<u>702,497</u>	<u>634,983</u>

The pay of all staff is according to incremental scales which are only paid if the budget for the relevant program allows. Three employees received remuneration (excluding employer pension contributions) in excess of €60,000 during the year (2021: 3).

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Tangible fixed assets	Leasehold Improvements €	L.E.S. Equipment (i) €	Computers & Equipment €	Total €
Cost				
At 31 December 2021	18,774	27,003	78,194	123,971
Additions	-	-	24,774	24,774
Disposals	-	(27,003)	(4,267)	(31,270)
At 31 December 2022	<u>18,774</u>	<u>-</u>	<u>98,701</u>	<u>117,475</u>
Depreciation				
At 31 December 2021	18,774	22,200	59,510	100,484
Charge for year	-	-	13,846	13,846
Disposals	-	(22,200)	(4,267)	(26,467)
At 31 December 2022	<u>18,774</u>	<u>-</u>	<u>69,089</u>	<u>87,863</u>
Net book amounts				
At 31 December 2021	<u>-</u>	<u>4,803</u>	<u>18,684</u>	<u>23,487</u>
Net book amounts				
At 31 December 2022	<u>-</u>	<u>-</u>	<u>29,612</u>	<u>29,612</u>

(i) There are no assets held under finance lease, hire purchase or similar contracts included in the tangible fixed asset schedule.

9 Stock	31 December 2022 €	31 December 2021 €
Stock of plaques	1,328	2,835
	<u>1,328</u>	<u>2,835</u>

In the opinion of the Trustees the current replacement cost of stocks does not differ significantly from the amount stated above.

10 Debtors	31 December 2022 €	31 December 2021 €
Amounts falling due within one year		
Income receivable	413,327	1,843
Prepayments	14,823	11,780
Payments on account – WAP / STDC	348,253	-
	<u>776,403</u>	<u>13,623</u>

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Bank and cash - Restricted Funds	31 December 2022	31 December 2021
	€	€
Rural Development Programme	23,896	172,849
Rural Development Programme – Walks Funding	-	46,353
The Walks Scheme	35,967	-
Local Employment Service	-	48,971
Rural Social Scheme	1,545	5,388
LDS Preparatory Support	13,644	13,644
Social Farming	130,391	81,737
Rural Regeneration	-	835
Local Area Employment Service – Designated funds	17,095	-
Small Capital Grants	4,115	19,115
Tús Community Placement Initiative	13,583	22,548
	<u>240,236</u>	<u>411,440</u>
12 Creditors	31 December 2022	31 December 2021
	€	€
Amounts falling due within one year		
Accruals (see (i) below)	287,977	55,742
Credit Card	259	1,211
Deferred Income	63,613	1,460
Payments on Account - DSP	574,756	-
PAYE/PRSI	13,733	15,284
	<u>940,338</u>	<u>73,698</u>
(i) Reservation of Title - Part of the amount owing to creditors may be secured by the reservation by the supplier of legal title to any goods supplied. The amount secured in this way depends on the legal interpretation of the individual contracts and cannot be readily determined.		
13 Restricted Funds Reserve	31 December 2022	31 December 2021
	€	€
Local Employment Service	-	36,527
Local Area Employment Service – Designated funds	17,095	-
Rural Development Programme (see note 14)	14,267	205,651
Social Farming	127,785	74,858
LDS Preparatory Support	13,644	13,644
Rural Social Scheme	1,281	5,022
Rural Regeneration	-	957
The Walks Scheme	31,289	-
Small Capital Grants	4,115	19,115
Tús	6,563	13,767
	<u>216,039</u>	<u>369,541</u>
14 Rural Development Programme Reserve	31 December 2022	31 December 2021
	€	€
Payment due to Promoters of Approved Projects – Walks Funding	-	46,353
Surplus of Operating expenses over Grants in prior years b/fwd	159,298	198,200
(Deficit) of Operating expenses over Grants in current year c/fwd	(145,031)	(38,902)
	<u>14,267</u>	<u>205,651</u>

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Capital Grants	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Opening Balance	22,777	14,358
Received during the year	15,826	20,777
Amortised to the Income & Expenditure Account	<u>(13,521)</u>	<u>(12,358)</u>
Closing Balance	<u>25,082</u>	<u>22,777</u>

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Capital grants are treated as deferred credits and are credited to the profit and loss account on the same basis as the related tangible assets are depreciated. All other grants are recognised in the profit and loss account at the time the costs they are intended to compensate are incurred by the company.

The Trustees confirm that all grants receivable were expended for the purposes for which they were intended.

16 Retained Reserves	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Opening Balance	80,506	68,170
(Deficit absorbed) / Surplus Retained for the year	<u>(79,491)</u>	<u>12,336</u>
Closing Balance	<u>1,015</u>	<u>80,506</u>

16(a) Analysis of movement in unrestricted income reserves

	Funds 31 December 2021 €	Incoming Resources €	Resources Expended €	Funds 31 December 2022 €
Unrestricted Grants & Funding	<u>80,506</u>	<u>336,039</u>	<u>(415,530)</u>	<u>1,015</u>
Total	<u>80,506</u>	<u>336,039</u>	<u>(415,530)</u>	<u>1,015</u>

16(b) Analysis of movement in restricted funds

	Funds 31 December 2021 €	Incoming Resources €	Resources Expended €	Funds 31 December 2022 €
Restricted Grants & Funding (see note 1)	<u>-</u>	<u>963,178</u>	<u>(963,178)</u>	<u>-</u>
Total	<u>-</u>	<u>963,178</u>	<u>(963,178)</u>	<u>-</u>

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Other Reserves: pre-incorporation	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Opening balance	6,730	6,730
Movement during the year	-	-
Closing balance	6,730	6,730

The pre-incorporation capital reserve relates to net assets and liabilities taken over by the company on incorporation of the entity which operated at that time.

18 Reconciliation of net cash flow to movement in net funds	2022	2021
	€	€
Increase in cash during the year	40,710	22,315
(Increase) / Decrease in term loans	-	-
Movement in net funds	40,710	22,315
Net funds at 1 January	100,656	78,341
Net funds at 31 December	141,366	100,656

19 Analysis of changes in net funds	31 December 2021	Cash flows	Other Changes	31 December 2022
	€	€	€	€
Credit Card – unrestricted funds	(1,211)	952	-	(259)
Bank and cash – unrestricted funds	101,867	39,758	-	141,625
Net funds	100,656	40,710	-	141,366

20 Commitments

Commitments contracted for at the reporting date but not recognised in the Financial Statements are as follows:-

(a) Operating Lease Commitments

The company leases various assets by operating lease. Generally operating leases are short-term with no purchase option. The future aggregated minimum lease payments under operating leases are as follows:-

	31 December 2022	31 December 2021
	€	€
Not later than 1 year	3,467	3,467
Later than 1 year and not more than 5 years	498	3,965
Later than 5 years	-	-
	3,965	7,432

(b) Business Rental Agreements

The company had entered the following rental agreements at 31 December 2022:-

- Rental agreement regarding business premises at Dungarvan, Co. Waterford for 10 years – effective 1/10/2020. Current annual rent €7,500
- Rental agreement regarding business premises at Carrick-on-Suir, Co. Tipperary for 1 year – effective 1/01/2022. Current annual rent €10,608
- Rental agreement regarding business premises at Lismore, Co. Waterford for 3 years– effective 1/07/2018 (extended to 30 September 2023). Current annual rent €28,290

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

21 Contingent Liabilities & Post Balance Sheet Events

Funds received or receivable from funding agencies could be repayable if certain circumstances set out in the grant agreements occur. Under agreements between the Company and government funding agencies, various restrictions have been placed on the distribution of funds and non-compliance with the terms of agreements may result in the reimbursement to or withholding of funds by the various agencies.

Following the year end the company received notice of a case hearing from the Workplace Relations Commission. The company intends to defend the case. No provision has been made in these accounts in relation to this case.

22 Related party transactions

In accordance with the Constitution of the Company, no director received any remuneration during the year. No director has any personal interest in any contract or transaction entered into by the company (2021: €nil). The company had no transactions with related parties during the year to 31 December 2022 that require disclosure in these financial statements.

23 Pension Costs

The company makes contributions to a defined contribution scheme on behalf of management and staff, the assets of which are vested in independent trustees for the benefit of members and their dependents. The contributions for the year amounted to €45,811 (2021: €48,562) and have been charged in arriving at the operating surplus. The actuarial reports are available for inspection by members and beneficiaries.

24 Limited by guarantee and not having a share capital

The company is limited by guarantee and does not have a share capital. Under the Constitution of the Company, all income and property of the company shall be applied solely towards the promotion of the objects of the Company. The liability of the members is limited to an amount not exceeding €0.01 each.

25 Financial Situation

The company is reliant on the renewal of funding from the socio-economic schemes and would find it difficult to continue in existence in the event of these funds being withdrawn. On the basis of existing contracts in place with the respective bodies, the Trustees expect to secure similar levels of grant funding in the coming year. The ongoing scale of operations of the company is dependent on existing contracts being renewed at similar funding levels.

In the event of the termination of such schemes, contingent liabilities e.g. redundancy costs, may arise. The Executive is in communication with the relevant funding agencies with a view to securing agreement on funding of any shortfall in contingent liabilities that might arise in the event of a scheme not being renewed and TUPE not applying. However, there is no certainty on this and the relevant funding bodies have not given any contractual commitments at the time of sign-off of these financial statements.

The principal risks affecting the company are as detailed in the Trustees' Report hereto. In particular, the trustees have noted the financial risks associated with the operation of the LAES contract and the deficit on same in the 2022 year. As this is a four-year contract it is difficult to forecast the accuracy of the future financial variables. The Trustees have used their best estimates in quantifying the expected surplus under this contract over the four-year term. However, the margins involved are tight and there can be no certainty on these matters.

There is also no certainty regarding how government policy will impact on the future administration of some schemes as detailed in the Trustees' Report. This may adversely affect the ability of the company to plan and resource its work. The Trustees are aware of these issues and monitor any change in terms and conditions of schemes.

Subject to the renewal of the existing schemes at current levels for 2023/24 and the return of a surplus on the LAES contract over the next twelve months, the Trustees believe that the company has adequate levels of financial resources to continue trading for the foreseeable future, being twelve months from the sign-off of these financial statements. As a consequence, the Trustees believe that the company is reasonably placed to manage its business risks successfully and consequentially consider it appropriate to prepare the financial statements on a going concern basis.

Year Ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS - continued

26 APB Ethical Standards – Provisions Available to Smaller Entities

In common with many other businesses of our size and nature we use our statutory auditors to assist with the preparation of the financial statements and company secretarial compliance work.

27 DSP – Rural Social Scheme

The company is involved in the implementation of the Rural Social Scheme programme in County Waterford in conjunction with the Department of Social Protection. The scheme involves the employment of a number of employees to carry out certain work in local communities. The company received a supervisory allowance together with funds for the purchase of materials and these receipts are included in the financial statements. The payment and administration of wages of the participants is undertaken by Pobal.

28 Tús – Community Work Placement Initiative

The company is involved in the implementation of the Tús programme in County Waterford on behalf of the Department of Social Protection. The company received a financial allocation from the Department of Social Protection based on the number of participants allocated and actually on work placements. This allocation towards the company's administration is included in the Income & Expenditure Account. The payment and administration of wages, for Tús supervisors and participants, is undertaken by Pobal and these wage costs are not included in the company's Income & Expenditure Account.

29 Approval of financial statements

The financial statements were approved by the Trustees on 28th August 2023.

