Company number: 176644

The Register of Electrical Contractors of Ireland CLG

Directors' Report and Financial Statements

For the Year Ended 31 December 2021

The Register of Electrical Contractors of Ireland CLG

Year ended 31 December 2021

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Year ended 31 December 2021

Directors and other information

Directors	Mattie Ryan John Fletcher Donal Looney Deirdre McNamee (resigned 17 May 2022) Denis Higgins Peadar Leddy Peter McElroy (resigned 13 September 2022) Michael Conry (resigned 10 June 2021) Sheila O'Connor Jennifer McCarthy (appointed 17 May 2022)
Company Secretary	Pierce Martin
Company number	176644
Registered office and Business address	Unit 9, KCR Industrial Estate, Ravensdale Park, Kimmage, Dublin 12.
Auditors	RSM Ireland Business Advisory Limited t/a RSM Ireland, Chartered Accountants and Statutory Audit Firm, Trinity House, Charleston Road, Ranelagh, Dublin 6.
Bankers	Allied Irish Banks, plc, 9 Terenure Road East, Rathgar, Dublin 6.
Solicitors	Daly Lynch Crowe & Morris, The Corn Exchange, Burgh Quay, Dublin 2.

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Year ended 31 December 2021

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2021.

Principal activity and business review
The principal activity of the Company during the financial year was to be a non-profit - making regulatory body for the electrical contracting industry.

On 4 November 2015, the Company was appointed by the Commission for Regulation of Utilities ('CRU') to be the new electrical safety supervisory body under S9D(1) (a) of the Electricity Regulation Act 1999 (as amended) for the period of 7 years from the "go live date", 1 January 2016. Under the terms of agreement with CRU, the Company must operate on a not-for-profit basis. Any surplus arising on regulated activities cannot be distributed to members of the Company but will be used to fund regulated activities. In addition to regulated activities, the Company may conduct permitted activities which are not subject to regulation by CRU and any surplus arising on permitted activities shall be available to non-regulated activities in accordance with the Company's objectives.

On 19 July 2022, the Company received formal notification from the CRU that the Company was unsuccessful with its submission for a further contract and that a new Company was appointed as a Replacement Body following expiry of the existing agreement, being 31 December 2022 ('the expiry date').

Under the terms of the existing agreement, upon termination or expiry, the Company has to transfer all Relevant Assets (as defined in the agreement) to the CRU or, at the direction of the CRU, to the Replacement Body in consideration of a payment of one euro (€1).

Whilst the company continued to trade until the expiry date, since that date it has largely ceased to trade, and virtually all staff have now left the Company.

It is the directors' intention to finalise the dissolution of the Company in due course. Accordingly, these financial statements are prepared on a non-going concern basis. All assets are expected to be realised at their carrying value and all liabilities are measured at the best estimate of their settlement value. The financial statements do not include any costs that would be incurred in the liquidation or liabilities that arose subsequent to the balance sheet date of the company.

The Directors having made appropriate enquiries, consider it reasonable to assume that the Company has adequate resources to settle any remaining liabilities.

Results and dividends
The surplus for the year amounted to €90,966 (2020: loss of €221,096).

The directors do not recommend payment of a dividend.

At the end of the year the Company had assets of €2,151,082 (2020: €1,765,730) and liabilities of €1,282,829 (2020: €988,443). The net assets of the Company have increased by €90,966.

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Year ended 31 December 2021

Directors' report

Directors and secretary
The directors who served throughout the year, except as noted, were as follows:

Mattie Ryan
John Fletcher
Michael Conry (resigned 10 June 2021)
Donal Looney
Deirdre McNamee (resigned 17 May 2022)
Denis Higgins
Peadar Leddy
Peter McElroy (resigned 13 September 2022)
Sheila O'Connor
Jennifer McCarthy (appointed 17 May 2022)

The secretary who served throughout the year was Pierce Martin.

The directors and secretary had no interests in the Company at the beginning and end of the year.

Future developments
The future developments of the company are set out in the Principal activity and business review section.

Post balance sheet events

On 19 July 2022, the Company received formal notification from CRU that the Company was unsuccessful with its submission for a further contract and that a new Company was appointed as a Replacement Body on expiry of the existing agreement, being 31 December 2022 ('the expiry date').

Under the terms of the existing agreement, upon termination or expiry, the Company has to transfer all Relevant Assets (as defined in the agreement) to CRU or, at the direction of the CRU, to the Replacement Body in consideration of a payment of one euro (€1).

Whilst the company continued to trade until the expiry date, since that date it has largely ceased to trade, and virtually all staff have now left the Company.

It is the directors' intention to finalise the dissolution of the Company in due course (see the basis for preparation note for further details). Other than noted above there are no other events that require disclosure or amendment to the financial statements.

Auditors
The auditors, RSM Ireland Business Advisory Limited t/a RSM Ireland, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

Statement on relevant audit information
There is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting records
The Directors acknowledge their responsibilities under Section 281 to Section 285 of the Companies Act 2014 to keep adequate accounting records for the Company.

In order to secure compliance with the requirements of the act, The directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records of the Company are kept at the registered office and principal place of business at Unit 9, KCR Industrial Estate, Ravensdale Park, Kimmage, Dublin 12.

Signed on behalf of the board by:

Mattie Ryan
Director

Date: 14/06/2023

Denis Higgins
Director

Date: 14/06/2023

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Year ended 31 December 2021

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard, issued by the Financial Reporting Council. Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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 financial statements and directors report comply with the Companies Act 2014 and enable the 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.

Signed on behalf of the board by:

Mattie Ryan
Director

Date: 14/06/2023

Denis Higgins
Director

Date: 14/06/2023

Independent auditor's report to the members of
The Register of Electrical Contractors of Ireland CLG
for the financial year ended 31 December 2021

Opinion

We have audited the financial statements of The Register of Electrical Contractors of Ireland CLG for the financial year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland applying Section 1A of that Standard.

In our opinion the financial statements:
- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2021 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland applying Section 1A of that Standard; and
- have been 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) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 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), 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.

Emphasis of matter – non-going concern basis of preparation

We draw attention to Note 3 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reasons set out in that note.

Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the 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 or apparent material misstatements, 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.

Opinions on other matters prescribed by the Companies Act 2014

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

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with applicable legal requirements.

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, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors 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 the directors determine is 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 directors 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 the management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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.
- 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We communicate 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 we identify during our audit.

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

Our 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

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Niall May
For and on behalf of
RSM Ireland
Statutory Audit Firm
Trinity House
Charleston Road
Ranelagh
Dublin 6

Date: 14 June 2023

The Register of Electrical Contractors of Ireland CLG

Year ended 31 December 2021

Statement of Comprehensive Income

	Notes	2021 €	2020 €
Turnover	**5**	3,120,202	2,715,039
Cost of sales		(1,617,492)	(1,751,759)
Gross profit		1,502,710	963,280
Administrative expenses		(886,543)	(1,184,421)
Operating Surplus / (Loss)	**6**	616,167	(221,141)
Exceptional item	**7**	(525,212)	-
Surplus / (Loss) before interest		90,955	(221,141)
Interest receivable and similar income	**10**	11	60
Surplus / (Loss) before taxation		90,966	(221,081)
Taxation	**11**	-	(15)
Surplus / (Loss) after taxation		90,966	(221,096)
Total comprehensive income		90,966	(221,096)

Approved by the board on 14/06/2023 and signed on its behalf by:

Mattie Ryan
Director

Denis Higgins
Director

The notes on pages 14 to 22 form part of the financial statements

The Register of Electrical Contractors of Ireland CLG

Year ended 31 December 2021

Statement of Financial Position

	Notes	2021 €	2020 €
Fixed assets			
Tangible assets	12	291,770	435,284
		291,770	435,284
Current assets			
Stocks	13	41,204	48,885
Debtors	14	101,852	126,064
Cash and cash equivalents	15	1,716,256	1,155,497
		1,859,312	1,330,446
Creditors: Amounts falling due within one year	16	(841,590)	(988,443)
Net current assets		1,017,722	342,003
Total assets less current liabilities		1,309,492	777,287
Provisions for liabilities	17	(441,239)	-
Net assets		868,253	777,287
Capital and reserves			
Other reserves	19	1	(134,946)
Profit and loss account	19	868,252	912,233
Members funds		868,253	777,287

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Statement Reporting Standard applicable in the UK and Republic of Ireland', applying Section 1A of that Standard.

Approved by the board on 14/06/2023 and signed on its behalf by:

Mattie Ryan
Director

Denis Higgins
Director

The notes on pages 14 to 22 form part of the financial statements

The Register of Electrical Contractors of Ireland CLG

Year ended 31 December 2021

Statement of Changes in Equity

	Other reserves €	Profit and Loss Account €	Total €
As at 1 January 2020	(10,514)	1,008,897	998,383
Loss for the year	-	(221,096)	(221,096)
Transfer of CRU regulated activities (loss) for the year	(124,432)	124,432	-
As at 31 December 2020	(134,946)	912,233	777,287
Surplus for the year	-	90,966	90,966
Transfer of CRU regulated activities surplus for the year	134,947	(134,947)	-
As at 31 December 2021	1	868,252	868,253

The Register of Electrical Contractors of Ireland CLG

Year ended 31 December 2021

Cash Flow Statement

	Notes	2021 €	2020 €
Cash flows from operating activities			
Surplus / (Loss) for the year		90,966	(221,096)
Adjustments for:			
Interest receivable and similar income		(11)	(60)
Tax on Surplus / (Loss)		-	15
Depreciation		63,177	52,645
Exceptional items	7	525,212	-
		679,344	(168,496)
Movements in working capital:			
Movement in stocks		7,681	(35,963)
Movement in debtors		24,212	200,177
Movement in creditors		(79,527)	294,171
Cash generated from/(used in) operations		631,710	289,889
Tax refunded		-	(16)
Net cash generated from/(used in) operating activities		631,710	289,873
Cash flows from investing activities			
Interest received		11	60
Payments to acquire tangible fixed assets		(70,962)	(111,827)
Net cash (used in) investment activities		(70,951)	(111,767)
Net increase in cash and cash equivalents		560,759	178,106
Cash and cash equivalents at beginning of financial year		1,155,497	977,391
Cash and cash equivalents at end of financial year	15	**1,716,256**	**1,155,497**

1. General information

The Register of Electrical Contractors of Ireland CLG is a Company limited by guarantee without share capital incorporated in the Republic of Ireland. Unit 9, KCR Industrial Estate, Ravensdale Park, Kimmage, Dublin 12 is the registered office and principal place of business of the Company. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the Company.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Summary of significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

Non-going concern basis of preparation
On 19 July 2022, the Company received formal notification from CRU that the Company was unsuccessful with its submission for a further contract and that a new Company was appointed as a Replacement Body following expiry of the existing agreement, being 31 December 2022 ('the expiry date').

Under the terms of the existing agreement, upon termination or expiry, the Company has to transfer all Relevant Assets (as defined in the agreement) to CRU or, at the direction of the CRU, to the Replacement Body in consideration of a payment of one euro (€1).

Whilst the company continued to trade until the expiry date, since that date it has largely ceased to trade, and virtually all staff have now left the Company.

It is the directors' intention to finalise the dissolution of the Company in due course. Accordingly, these financial statements are prepared on a non-going concern basis. All assets are expected to be realised at their carrying value and all liabilities are measured at the best estimate of their settlement value. The financial statements do not include any costs that would be incurred in the liquidation or liabilities that arose subsequent to the balance sheet date of the company.

The directors, having made appropriate enquires, consider it reasonable to assume that the Company has adequate resources to settle any remaining liabilities.

Turnover

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods
Revenue from the sale of goods is recognised when all of the following conditions are satisfied:
- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services
Revenue from an agreement to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the agreement when all of the following conditions are satisfied:
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the agreement;
- the stage of completion of the agreement at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the agreement can be measured reliably.

Taxation
The charge for taxation is based on the profit for the financial year and is calculated with reference to the tax rates applying at the financial year end date in the jurisdiction where the tax is applied.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at the Statement of Financial Position date that result in an obligation to pay more tax or a right to pay less tax in the future.

Timing differences are differences between profit computed for taxation purposes and profit as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date. Deferred tax is measured on a non-discounted basis.

Operating leases
Assets held under leasing arrangements and hire purchase contracts that transfer substantially all the risks and rewards of ownership to the Company are capitalised. The capital element of the related rental obligations is included in creditors. Leasing charges under finance leases are charged to the Statement of Comprehensive Income in the period incurred as estimated using the effective interest method.

Rentals in respect of operating leases are charged to the Statement of Comprehensive Income as incurred.

Policy on allocation of costs between regulated activities and permitted activities
The Company allocates the cost of staff between regulated activities and permitted activities on the basis of the number of staff employed in each cost centre and allocate overhead costs on the basis of actual costs where applicable and apportions shared costs on the basis of activity levels.

Tangible assets
Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation
Depreciation is charged so as to allocate the cost of assets less residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Fixtures, fittings and equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Impairment
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks
Stock are stated at the lower of cost and not realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Defined contribution pension plan
The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Reserves
Under the terms of agreement with the CRU, the Company must operate regulated activities on a not-for-profit basis. Any surplus arising on regulated activities cannot be distributed to members of the Company but used to fund future regulated activities. In addition to regulated activities, the Company may conduct permitted activities which are not subject to regulation by the CRU and any surplus arising on permitted activities shall be available to the members.

On 4th November 2015, the Company was appointed by the Commission for Regulation Utilities (CRU) to be the new electrical safety supervisory body under S9D(1)(a) of the Electricity Regulation Act 1999 (as amended) for the period of 7 years from the "go live date", 1 January 2016. Under the terms of agreement with CRU, the Company must operate on a not-for-profit basis. Any surplus arising on regulated activities cannot be distributed to members of the Company but used to fund future regulated activities. In addition to regulated activities, the Company may conduct permitted activities which are not subject to regulation by CRU and any surplus arising on permitted activities shall be available to the members. Under the terms of the agreement with the CRU, the Company is no longer permitted to provide training under permitted activities with effect from the go live date of 1 January 2016.

Trade and other debtors
Trade and other debtors, including amounts owed by group companies, are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of debtors. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the Statement of Comprehensive Income.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Trade and other creditors
Trade and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are classified as current liabilities unless the Company has a right to defer settlement of the liability for at least 12 months after the reporting date.

Interest income
Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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 and balances from related parties.

Provisions
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies
Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is virtually certain.

Employee benefits
The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Related party transactions
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 and operating policy decisions or has joint control over the Company;

- the Company and the party are subject to common control;
- the party is an associate of the Company or forms part of a joint venture with the Company;
- the party is a member of key management personnel of the Company or the Company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;

- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the Company or of any entity that is a related party of the Company.

4. Critical accounting judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of tangible fixed assets

Long-lived assets, consisting primarily of freehold property and fixtures, fittings and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review the useful economic lives of these assets and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

(b) Providing for doubtful debts

The Company makes an estimate of the recoverable value of trade, related party and other debtors. The Company uses estimates based on historical experience in determining the level of debts, which the Company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

5. Turnover

The whole of the turnover is attributable to the principal activity of the Company which is wholly undertaken in Ireland.

6. Operating Surplus / (Loss)

Operating Surplus / (Loss) is stated after charging:

	2021 €	2020 €
Depreciation of tangible assets	63,177	52,645
Operating lease rentals	38,815	38,375

7. Exceptional items

	2021 €	2020 €
(i) Impairment of tangible assets:		
- Regulated Assets	88,537	-
- Permitted Assets	62,762	-
	151,299	-
(ii) Provisions:		
- Regulated Assets	441,239	-
- Permitted Assets	-	-
	441,239	-
(iii) Liabilities:		
- Regulated Assets	(67,326)	-
Total	525,212	-

Notes to Exceptional items:

(i) Under the terms of the existing agreement, upon termination or expiry, the company has to transfer all Relevant Assets (as defined in the agreement) to CRU or, at the direction of the CRU, to the Replacement Body in consideration of a payment of one euro (€1). On 19 July 2022, the company received formal notification from CRU that the company was unsuccessful with its submission for a further contract and that a new Company was appointed as a Replacement Body following expiry of the existing agreement, being 31 December 2022 ('the expiry date'). Accordingly, an impairment charge of €88,537 was made in respect of Regulated fixed assets.
In addition, the company's Permitted Assets (excluding buildings) were also impaired by €62,762 to zero during the year.
(ii) For the same reason as the above, a provision of €441,239 was recognised in respect of other relevant assets in the year ended 31 December 2021.
(iii) The company received a waiver for certain funds that were advanced to the company in respect of an ongoing IT project ("SIMS"). Accordingly, a gain of €67,326 was recognised in the profit and loss account.

8. Employees and Remuneration

The average number of persons employed by the company during the year, including the directors was as follows:

	2021 Number	2020 Number
Administrative	28	25
Inspectors	5	5
Directors	7	7
	40	37

The aggregate payroll costs incurred during the year were as follows:

	2021 €	2020 €
Wages and salaries	772,993	852,915
Social welfare costs	92,553	87,121
Pension costs	23,577	18,096
	889,123	958,132

9. Directors remuneration

The directors' aggregate remuneration was as follows:

	2021 €	2020 €
Salary	16,161	18,310

Other than the amounts disclosed above, any further disclosures required by section 305, section 305A and section 306 of the Companies Act 2014 are nil for the current and preceding year.

10. Interest receivable and similar income

	2021 €	2020 €
Bank interest	11	60

11. Taxation (credit)/expense

	2021 €	2020 €
(a) Tax (credit)/expense in profit and loss:		
Current tax (credit)/expense:		
- Irish tax on profits for the year	-	15
- Adjustments in respect of previous years	-	-
	-	15

(b) Reconciliation of tax (credit)/charge

The tax assessed for the year differs from the standard rate of corporation tax in the Republic of Ireland of 12.5% (2020 - 12.5%) The differences are explained below:

	2021 €	2020 €
Surplus before tax	90,966	(221,081)
Surplus before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.5% (2020 - 12.5%)	11,371	(27,635)
Effects of:		
- Trading not subject to tax	(11,374)	27,643
- Additional tax arising on profits chargeable at 25%	3	7
Tax (credit)/expense for the year	-	15

12. Tangible assets

	Freehold property	Fixtures, fittings and equipment	Total
	€	€	€
Cost or valuation			
At 1 January 2021	510,055	519,853	1,029,908
Additions	-	70,962	70,962
At 31 December 2021	510,055	590,815	1,100,870
Depreciation			
At 1 January 2021	212,331	382,293	594,624
Charge for the year	5,954	57,223	63,177
Impairment losses	-	151,299	151,299
At 31 December 2021	218,285	590,815	809,100
Carrying amount			
At 31 December 2021	291,770	-	291,770
At 31 December 2020	297,724	137,560	435,284

13. Stocks

	2021	2020
	€	€
Finished goods and goods for resale	41,204	48,885

14. Debtors

	2021	2020
	€	€
Trade debtors	22,891	40,576
Amounts owed by related parties (Note 23)	63,080	51,382
Other debtors	-	8,000
Prepayments	15,881	26,106
	101,852	126,064

15. Cash and cash equivalents

	2021	2020
	€	€
Cash at bank and in hand	1,716,256	1,155,497

16. Creditors: Amounts falling due within one year

	Note	2021 €	2020 €
Trade creditors		451,413	607,127
Taxation (see below)		120,118	127,038
Other creditors		130,134	88,369
Accruals		139,925	165,909
		841,590	988,443
Taxation is made up as follows:			
PAYE and social welfare		67,736	43,469
Corporation tax		16	19
VAT		52,366	83,550
		120,118	127,038

The Company is part of a VAT group with a related Company, the Register of Gas Installers of Ireland CLG.

17. Provision for liabilities

	Note	Restructuring Provision €	Total €
At 1 January 2021		-	-
Charged to the profit and loss account during the year	7	441,239	441,239
At 31 December 2021		441,239	441,239

At 31 December 2021 the company recorded a restructuring provision related to the obligation to transfer all Relevant Assets to the CRU or, at the direction of the CRU, to the Replacement Body in consideration for a payment of one euro (€1) upon termination of the contract. In July 2022 the company received formal notification that the contract would transfer to a Replacement Body on expiry of the contact, being 31 December 2022. Further details are set out in note 7.

18. Financial Instruments

	Note	2021 €	2020 €
Financial instruments that are debt instruments measured at amortised cost			
Trade and other debtors	14	22,891	48,576
Amounts owed by related parties	14	63,080	51,382
Cash and short term deposits	15	1,716,256	1,155,497
		1,802,227	1,255,455
Financial liabilities measured at amortised cost			
Trade and other creditors	16	581,547	695,496
Accruals	16	139,925	165,909
		721,472	861,405

19. Reserves

Other reserves
Includes all current and prior period retained profits and losses relating to CRU regulated activities.

Profit and loss account
Includes all current and prior period retained profits and losses relating to members permitted activities.

20. Capital commitments

There were no capital commitments at the year ended 31 December 2021.

21. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2021	2020
	€	€
Due:		
Within one year	31,673	40,098
Between one and five years	-	31,673
Over five years	-	-
	31,673	71,771

22. Pension costs - defined contribution

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Pension costs amounted to €23,577 (2020: €18,096).

23. Related party transactions

The Register of Gas Installers of Ireland CLG ("RGII") is a related party due to common directors. Both companies operate from the same premises and share common costs. Transactions undertaken with RGII were as follows:

	2021	2020
	€	€
Opening Balance	51,382	262,359
Payments from RGII	(1,110,525)	(1,238,420)
VAT balances transferred from RGII	229,015	144,354
Transfer of expenses to RGII	893,208	883,088
Closing Balance	63,080	51,382

The opening and closing balances referred to above have been included in debtors amounts falling due within one year.

24. Post balance sheet events

On 19 July 2022, the Company received formal notification from CRU that the Company was unsuccessful with its submission for a further contract and that a new Company was appointed as a Replacement Body on expiry of the existing agreement, being 31 December 2022 ('the expiry date').

Under the terms of the existing agreement, upon termination or expiry, the Company has to transfer all Relevant Assets (as defined in the agreement) to CRU or, at the direction of the CRU, to the Replacement Body in consideration of a payment of one euro (€1).

Whilst the company continued to trade until the expiry date, since that date it has largely ceased to trade, and virtually all staff have now left the Company. It is the directors' intention to finalise the dissolution of the Company in due course (see the basis for preparation note).

Other than noted above, there are no events that require disclosure or amendment to the financial statements.

25. Status

The Company is limited by guarantee and consequently does not have share capital. The members shall be indemnified and saved harmless out of the assets and revenue of the Company from and against all actions, costs, charges, losses, damages and expenses which they may incur upon the winding up or liquidation of the Company.

26. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 14/06/2023.