

Financial Statements

Bothar CLG

For the financial year ended 30 June 2019

Bothar CLG
(A company limited by guarantee)

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Reference and Administrative Details of the Charity, its Board members and Advisers

For the financial year ended 30 June 2019

Board members

Patrick Lavin
Harry Lawlor (resigned 27 October 2022)
Helga Morrow (resigned 26 April 2022)
Thomas Moore (resigned 28 October 2020)
Rev. Tom Sherlock (resigned 14 June 2022)
Thomas Blackburne (resigned 13 August 2021)
Sinead Baggott (resigned 29 April 2022)
Rev. Dermot Clifford (resigned 07 April 2021)
Kenneth Arthur (appointed 12 January 2022)
John Kelly (appointed 2 February 2022)
Patrick Manley (appointed 28 February 2022)
Shane Mcauliffe (appointed 28 February 2022)
Matthew Hartnett (appointed 28 February 2022)

Company registered number

178045

Charity registered number

20026592

Registered office

Old Clare Street, Limerick, V94X4X9

Company secretary

Helga Morrow (appointed 01/06/2021, resigned 13/05/2022)
Patrick Manley (appointed 13/05/2022)

Chief executive officer

Aideen O'Leary (appointed Interim CEO November 2020, appointed CEO September 2022)

Independent auditor

Grant Thornton, Mill House, Henry Street, Limerick

Solicitors

Leahy & Partners, Park Manor House, Upper Mallow Street, Limerick
Sweeney McGann LLP, 67 O'Connell Street, Limerick

Board members' Report

For the financial year ended 30 June 2019

The Board members (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Bóthar Company Limited by Guarantee (Bóthar CLG) (the charity) for the financial year ended 30 June 2019. The Board members confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

1. Objectives and Activities

The mission of Bóthar is to enable families and communities worldwide to overcome hunger and poverty, specialising in improved livestock production and support-related training.

Bóthar specialises in the empowerment of poor rural communities in the developing world. Since its origins, Bóthar has focused on the provision of livestock (primarily in-calf dairy heifers and in-kid goats) and training to needy families in developing countries. These animals have been gifted by donors in Ireland, financed by fundraising activities, or passed down from previous recipients of animals. The training delivered encompasses building animal shelters, growing fodder, animal health and welfare, sustainable agricultural practices, record keeping and marketing of produce. Bóthar provides individuals with the means to solve the problems of hunger, malnutrition and poverty in a simple sustainable manner. The core purpose of Bóthar's efforts is to raise the incomes of families in project areas in a sustainable way. This enables social and economic development within disadvantaged communities. The experience of Bóthar is that livestock rearing represents a sustainable mechanism to address poverty. Over the years, the organisation has also supported integrated rural development initiatives addressing key global development issues such as climate change and women's participation and gender equality. Working with local organisations and through them, Bóthar's work has reached those most vulnerable in the developing world.

Through its fund raising in Ireland and development work abroad, Bóthar continues to provide the Irish public with an effective, straightforward method of supporting widespread sustainable economic and social development, on a small scale, at the individual family level.

Bóthar aims to create sustainable change in the communities in which it works. The sustainable nature of the Bóthar approach is best highlighted by the fact that families who receive an animal must donate the first female off-spring or the equivalent value of what they received to another family (this is fundamental to the Bóthar sustainable approach). The beneficiary becomes a donor and the benefit multiplies within the community. Bóthar supports co-operatives and other groups (women's groups, community groups) in programme countries. Bóthar continues to promote and foster gender empowerment, which is key to success within the programme countries.

In Ireland, individuals donate both funds and heifers, local community groups fundraise and organise livestock for shipping overseas. On an annual basis Bóthar can have up to 60 calves/in-calf heifers on hand. While Bóthar continues to fund the care and welfare of the animals while they are in Ireland, the actual work of tending to the animals is undertaken by inmates within the prison system. The long term collaboration with our two partner prisons, Shelton Abbey and Loughan House, has proven to be beneficial to prisoners on their rehabilitation journey and this has been acknowledged through awards by the prison services.

The local community groups in the countries where Bóthar works vary from church groups to groups of neighbours who have voluntarily come together to support each other and seek solutions to their common problems. These local groups form committees which specifically deal with the Bóthar project.

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Board members' Report (continued)

For the financial year ended 30 June 2019

To facilitate its international mission Bóthar is part of a community of Non-Governmental Organisations that work with livestock in development aid. Bóthar works with a number of project partners as well as local governments and communities to ensure the resources are focused on the mission. The work undertaken by these partners provides Bóthar with greater efficiencies and effectiveness in delivery, financial resources, a network of contacts on the ground in developing countries and avoids unnecessary duplication.

To all these groups and partners we must express our deep gratitude and thanks, without their support the good works could not be undertaken.

2. Operational Review

Whistleblower and subsequent investigations

During the financial year ended 30th June 2019 the board received correspondence from an anonymous whistleblower which expressed concern regarding inappropriate travel expenses and the failure to comply with recruitment policies within the organisation. The board appointed a director to undertake an internal review. This internal review was subsequently presented to the board and indicated that there were matters which required further enquiry. The board determined that it was appropriate that external consultants should be engaged to undertake an overall review of the financial affairs and procedures of the organisation.

In November 2019, a firm of independent consultant's was engaged by the board to commence its review, but this did not commence until February 2020. Their investigation was hindered by the onset of the Covid-19 pandemic in early 2020. They continued to undertake the investigation remotely. Arising from the Board's interim discussions with them it became apparent that they had not been receiving adequate and complete responses from the then CEO and despite various communications and instructions from the Board to the CEO, not all queries were answered adequately or information/documentation supplied by him, to them. Subsequently, doubt has arisen relating to the accuracy and reliability of some of the responses provided. The consultants issued an interim draft report to the board in July 2020 which raised additional concerns. Over the remaining course of 2020 the board pursued these matters including putting these matters to the then CEO. The board were not satisfied with the information, documentation or replies provided on the matters raised.

In November 2020 the Board placed the then CEO on suspension. He subsequently tendered his resignation in February 2021. The Board appointed an Interim CEO who had experience of the work of the company but had no previous involvement in the management or financial affairs of the company, and engaged the services of independent forensic IT and forensic accounting experts to investigate various matters of concern and, recover any deleted company data. This data was reviewed in conjunction with information which had been received from the prior reviews and further investigations. The co-relation of the data indicated and confirmed a number of serious irregularities that required immediate action.

The Charities Regulatory Authority "CRA" also appointed a separate firm of independent accountants to commence a statutory investigation into the affairs of charity. The Board provided significant historic data to the regulator. By April 2021 the investigation had reached the point whereby the independent accountants had arranged to interview a number of relevant parties as part of their statutory investigation.

In April 2021, following legal advice, the board decided to institute injunctive proceedings against the former CEO including an application to the Courts to restrain him from diminishing his assets. These proceedings are ongoing.

Board members' Report (continued)

For the financial year ended 30 June 2019

In April 2021 the Gardaí commenced a criminal investigation following a formal complaint into irregularities at the company. The board were advised by the Regulator that they would pause their investigation pending the conclusion of the Garda investigation. The board have continued to assist the Gardaí in their investigation and continue to provide them with assistance including documentary evidence of the activities, copies of reports and such other documentary evidence and information they may require. The CRA announced that they were pausing their investigation pending outcomes of the criminal investigation.

The actions of the former CEO remain the subject of both criminal investigation and civil litigation which constrain the board's ability to provide further detail. The board has committed to and has effected changes in the organisational staffing and procedures to ensure the highest fiduciary standards going forward and transparency with all stakeholders on the changes made in response.

All of these processes have required substantial commitments by the board collectively and individually. In addition, there have been substantial costs involved in pursuing the various matters. These matters have damaged the reputation of the charity in the eyes of the public at large and damaged trust for loyal supporters and partners. Despite challenges faced the board have continued to carry out the mission on which the charity was originally founded throughout the period. Our ultimate priority remains to those people and communities that Bóthar has supported over the last 31 years.

Covid-19

The advent of Covid-19 throughout 2020 and into 2021 created difficulties for the intended transport of in-calf heifers to Rwanda. Transporters could not guarantee the safe transfer of the in-calf heifers to the intended destination. The board were obliged to amend the intended exports. They did sanction an alternative agricultural education and support scheme for the intended beneficiaries in Rwanda and it was then envisaged that the livestock projects would resume when the Covid-19 threat subsided. The board approved the implementation of projects in Eastern Europe, with the animals intended for Africa as an alternative, and continue to explore ways in which our obligations to those disappointed beneficiaries can be fulfilled.

3. Financial Review

Income for the financial year (2018/2019) amounted to €4.62 million (an increase over the previous years income of € 4.58m) and expenditure amounted to €4.69 million (an increase over the previous years expenditure of €4.49m).

In addition to those expenditures, there is a charge described as Exceptional Item included in the Statement of Financial Activities (Page 15) in the amount of € 187,768 (30th June 2018 - € 125,436). These amounts represent the best estimate/quantification of the attributed aggregate monetary value of the various incidences of identified alleged fraud or expenditures for which no adequate supporting documentation was provided, and were incurred during the course of the financial year to 30th June 2019. The results for the year ended 30th June 2018 have been re-stated to reflect those matters attributable to that financial year.

In accounting for the various expenditures outlined above, they are being dealt with as required, as follows:

- a) In so far as these matters refer to the financial year ended 30th June 2019, they should be reflected in that years accounts.
- b) In so far as they can be quantified, the previous years accounts (30th June 2018) should be re-stated, to include the value and extent only of those matters which refer to that financial year.
- c) In all years up to and including 30th June 2017 all expenditures have previously been expensed and charged against the income/reserves of that year.

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Board members' Report (continued)

For the financial year ended 30 June 2019

- d) It was late in 2019 that the Board became concerned and formed the view that there were underlying irregularities, and engaged external consultants. At a later date there followed the appointment of forensic IT specialists, forensic accountants and legals to undertake various investigations and progress matters. To the extent that there were subsequent costs incurred arising from the Board's initial concerns, during the year ended 30th June 2020, those costs will be charged and included in the accounts for that year.

3.1 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Unrestricted Revenue Reserves at 30th June 2019 amounted to € 1,439,593 and Cash at Bank on that date was €577,860. The Board subsequently cut back on the staff employed by Bóthar, in order to reduce the level of overheads and expenditures. In January 2022 a net amount of €552,280 was realised from the sale of a former office premises in Dublin and this has supplemented the liquid resources of the charity to facilitate the continuation of charitable project works.

For these reasons, the Board believe that it is appropriate that they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policy 2.2.

3.2 Principal funding

Bóthar is primarily funded by charitable donations (78%) and legacies (9%), grants for charitable activities and other minor sources (13%).

3.3 Reserves policy

The Board Members have set a reserves policy, which requires that reserves be maintained at a level that ensures that the company's core activity could continue during a period of unforeseen difficulty. Unrestricted reserves of €1,439,593 were held at 30 June 2019 (2018: €1,183,135).

4. Plans for future periods

4.1 Future developments

Significant changes have taken place in the organisation since the reporting period in question with a focus on embedding transparent financial controls and accountable governance. All financial controls were examined and overhauled completely in line with the Charities Governance Code. A new board was recruited and appointed, using the transparent services of Boardmatch.

During the upcoming period here in Ireland, Bóthar will continue to modernise the organisation's infrastructure to meet the expectations of our stakeholders, domestic and foreign, and Charities Regulator. Through our website, there will be a clear insight to Bóthar's obligations in the domains of Compliance, Governance, Accountability, Transparency and Animal Welfare with the policies available that keep Bóthar's reputation intact.

In project countries, amongst partners and beneficiaries Bóthar will continue to strengthen the focus on transparency & accountability, cost effectiveness, adding value, enhancing nutrition, gender focus, entrepreneurship and compassion.

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Board members' Report (continued)

For the financial year ended 30 June 2019

5. Structure, governance and management

5.1 Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association, which was changed to a Constitution in 2021.

The charity is registered with the Charities Regulator (number 20026592).

The principal object of the charity is to make all necessary efforts to improve and advance the economic and personal development of necessitous inhabitants of various developing countries through the provision of agricultural livestock, agricultural produce or machinery, and agricultural training, which will facilitate those beneficiaries in establishing an immediate and sustainable source of personal economic improvement, for them, their families and their communities, into the future.

5.2 Method of appointment or election of Board members

The management of the charity is the responsibility of the Directors who are appointed and co-opted under the terms of the Constitution.

5.3 Pay rates for senior staff

As of 30th June 2019 one members of staff is currently in the €90,001-€100,000 salary band, one member of staff is currently in the €70,001-€80,000 salary band and a further three members of staff are in the €60,001-€70,000 salary band. All other members of staff are on salaries of less than €60,000.

5.4 Organisational structure and decision making

Bóthar is a company limited by guarantee registered in Ireland and is a registered Irish charity. The board of directors provides overall strategic guidance and direction to Bóthar while the CEO and staff have the responsibility of the day to day achievement of the strategy and delivery with the support of volunteers and partners on the ground in a number of countries. The CEO reports directly to the board submits projects, issues and plans for Board consideration and approval. The board oversees and monitors the implementation of actions. The board met on 5 occasions during the 2018/19 accounting period. There are currently six board members who are voluntary members and are not remunerated for their service.

Bóthar has a donor charter whereby it pledges to treat all donors with respect, honesty and openness by being transparent and accountable in all aspects of business. The donor charter sets out the commitments that Bóthar makes to all donors and prospective donors.

Bóthar has reviewed its systems in order to fully comply with the requirements of the General Data Protection Regulation (GDPR) which came into effect in May 2019. Bóthar has always been mindful of donor communications preferences. The introduction of GDPR provided the stimulus for an overall review of data management practices and the assessment of areas of risk where Bóthar may have been exposed to non-compliance with GDPR requirements.

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Board members' Report (continued)

For the financial year ended 30 June 2019

5.5 Risk management

The directors are aware of and take responsibility for the risks associated with the operation of Bóthar. In 2021 a new risk matrix was developed and this is regularly evaluated and updated by the board. All risks have mitigating steps in place and there is an ongoing focus on high risk areas for the organisation. The main risks are identified below, however, the board are confident that adequate controls are in place to address such risks if they arise.

Reputational Risk: With the viability of the charity at stake the board have taken measures to ensure that robust financial controls and good governance are in place across the organisation, as further detailed in the future developments section above.

Lack of income: As outlined previously the organisation has streamlined various expenditures, including payroll costs, overhead and running costs and the disposal of a former office premises in Dublin. We have also ensured to claim our tax back income. Our intention is to recommence active fundraising once we have published our accounts and communicated clearly with stakeholders.

5.6 Reference and Administration Details

The company is called Bóthar CLG. The Charity registration number is 20026592. The principal office of the company is located at Old Clare Street, Limerick.

The directors of Bóthar Company that served during the reporting period are detailed below

Mr.	Pat	Lavin
Mr.	Harry	Lawlor (Chairman) (resigned 27 October 2022)
Ms.	Sinead	Baggott (Vice-Chairperson) (resigned 29 April 2022)
Rev	Dermot	Clifford (resigned 07 April 2021)
Ms.	Helga	Morrow (resigned 26 April 2022)
Rev	Tom	Sherlock (resigned 14 June 2022)
Mr.	Thomas	Blackburne (resigned 13 August 2021)
Mr.	Thomas	Moore (resigned 28 October 2020)

Day to day management of the company was delegated to Mr David Moloney, CEO during the financial year. Ms Aideen O'Leary was appointed Interim CEO after his suspension in November 2020 and has since been appointed CEO following an open and transparent recruitment process carried out by new board members.

6. Health and safety

Bóthar is committed to undertaking its activities in such a way as to ensure that the health, safety and welfare at work of its employees in so far as it is reasonably practicable. Bóthar's policy in relation to the management of health, safety and welfare is outlined in the Bóthar Safety Statement which is in accordance with Section 20 of the Safety, Health and Welfare at Work Act 2005. Bóthar management seeks to ensure ongoing compliance with legislative requirements.

7. Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 regarding the keeping of accounting records by employing persons with appropriate expertise and by providing adequate resources to the financial function except with regards to certain matter of suspected fraud as referenced elsewhere in this report. The accounting records are held at the company's business address at Old Clare Street, Limerick.

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Board members' Report (continued)

For the financial year ended 30 June 2019

8. Statement of relevant auditor information

Each of the persons who are Board members at the time when this Board members' report is approved has confirmed that:

- so far as that Board member is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that each Board member has taken all the steps that ought to have been taken as a Board member in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

9. Auditor

The auditors, Grant Thornton, continue in office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the Board members, on 13 February 2023 and signed on their behalf by:

Kenneth Arthur
Directors

Patrick Lavin
Directors

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Board members' responsibilities statement

For the financial year ended 30 June 2019

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

Irish company law requires the Board Members to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the company for each financial year. Under the law the Board Members have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland, Irish law, the Charities Act 2009 and "Accounting and Reporting by Charities" (SORP) (2015).

Under company law, the Board Members 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 date and of the profit or loss of the company for the financial year.

In preparing these financial statements, the Board Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 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 charitable company will continue in operation.

The Board Members 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, 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

This report was approved by the Board members, on 13 February 2023 and signed on their behalf by:

Kenneth Arthur
Director

Patrick Lavin
Director

Independent auditor's report to the members of Bothar Company Limited by Guarantee

For the financial year ended 30 June 2019

Disclaimer of opinion

We were engaged to audit the financial statements of Bothar CLG which comprise the Statement of financial activities, Balance sheet, Statement of cash flows for the financial year ended 30 June 2019 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 applicable law and accounting standards issued by the Financial Reporting Council including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (Generally Accepted Accounting Practice in Ireland) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matter described in the “Basis for disclaimer of opinion” paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

Following a whistleblower disclosure, the company commenced investigations subsequent to the year end into the alleged fraudulent activities involving members of management over a number of years prior to, during and subsequent to the current financial year. We were cognisant of these circumstances when planning and executing our audit procedures. The matters referred to below, resulted in an inability to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion. The possible effects on the company’s financial statements of undetected misstatements in respect of these matters, if any, could be both material and pervasive.

Included in the Statement of financial activities of Bothar CLG for the financial year ended 30 June 2019 were the following:

1. Identified alleged fraudulent activities

The financial activities statement of Bothar CLG includes an Exceptional item in the amount of €187,768 for the financial year ended 30 June 2019 (2018: €125,436). These amounts have been identified as a result of various investigations as mentioned above in this section. Due to the nature of the alleged fraudulent activity, it was not possible to determine whether these amounts are the full extent of the misappropriated funds during the financial year ended 30 June 2019.

2. Transactions with Msaada, a third party former UK registered charity

The books and records of Bothar CLG indicate payments made to Msaada in the amount of €67,644 which have been identified as suspected fraudulent activity which is included within the amounts stated in point 1. Other transactions with Msaada include grant income received in the amount of €163,154 from Msaada, and payments made to Msaada in the amount of €193,907 and classified as project development costs, for the financial year ended 30 June 2019. We note that Msaada is now deregistered as a charity in the UK. It was not possible to obtain sufficient appropriate audit evidence to substantiate the authenticity of these transactions during the financial year between Bothar CLG and Msaada.

Independent auditor's report to the members of Bothar Company Limited by Guarantee (Continued)

For the financial year ended 30 June 2019

3. Travel and subsistence expenditure

The books and records of Bothar CLG indicate travel and subsistence expenditure incurred in the amount of €232,385 for the financial year ended 30 June 2019. Based on testing performed, there was a lack of source documentation in certain circumstances to support the quantum of the expenditure recorded. Consequently, we were unable to obtain sufficient appropriate audit evidence to substantiate the authenticity and quantum of all travel and subsistence expenditure.

4. Ongoing investigations

There are ongoing investigations into the various activities by the former CEOs over a substantial number of years. The actions of the former CEOs remain the subject of both criminal (Garda) investigation and civil litigation whereby the outcomes of these investigations are not known at this point. The Charity Regulator Authority has also commenced a separate investigation into these matters. The ultimate outcome of these matters cannot presently be determined and the financial statements do not include potential adjustment(s), if any, that may be required arising therefrom.

Despite full cooperation from the current Board members and the new CEO, it has not been possible to furnish us with all the information and explanations, which we consider necessary for the purposes of our audit. We were not able to perform alternative audit procedures regarding the above matters, and therefore we were unable to obtain sufficient appropriate evidence to provide a basis for an audit opinion or determine whether any adjustments or additional disclosures were necessary in the financial statements.

Material uncertainty relating to going concern

The company has prepared cash flow projections, which indicate an ability to continue as a going concern for the foreseeable future, which the directors have assessed as twenty-four months. However, beyond that period these cash flow projections are contingent on the expansion of fundraising, future public financial support, and the outcome and financial impact of the on-going investigations and associated costs, which individually or collectively, cannot be reliably determined at this time. This indicates the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

The company has prepared its financial statements on a going concern basis. The validity of the going concern assumption as stated in note 2.2 and the other matters as outlined in the Directors' report depends on the expansion of fundraising in the medium and long term and a positive outcome in this respect. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classifications of liabilities that might be necessary should the company be unable to continue in existence.

We draw attention to the "Basis of disclaimer of opinion" section of our audit report. As a result of the matters reported in this section, we are unable to conclude, and consequently we do not provide an opinion in regard to the disclosures in the Directors' report and note 2.2 to the financial statements concerning the company's ability to continue as a going concern.

Independent auditor's report to the members of Bothar Company Limited by Guarantee (Continued)

For the financial year ended 30 June 2019

Other information

Other information comprises information included in the Annual report, other than the financial statements and our auditor's report thereon. The Board members are responsible for the other information. 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.

Except for the issues discussed in the "Basis for disclaimer of opinion" paragraph, we have nothing to report in this regard.

Matters on which we were required to report by the Companies Act 2014

Arising from the matter referred to in the "Basis for disclaimer of opinion" paragraph above:

- we have not obtained all the information and explanations which we consider necessary for the purposes of our audit; and
- we were unable to determine whether appropriate accounting records have been kept.

Notwithstanding our Disclaimer of opinion on the financial statements,

- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

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, subject to the impact of the matters referred to in the "Basis for disclaimer of opinion" paragraph above we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' 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.

Independent auditor's report to the members of Bothar Company Limited by Guarantee (Continued)

For the financial year ended 30 June 2019

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Board members' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102), Accounting and Reporting by Charities, 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, management is 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 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 responsibility is to conduct the audit of the financial statements in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and to issue an auditor's report. However, because of the matters described in the 'Basis for disclaimer of opinion' section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Independent auditor's report to the members of Bothar Company Limited by Guarantee (Continued)

For the financial year ended 30 June 2019

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.

Mr. Damian Gleeson FCCA

for and on behalf of

Grant Thornton

Chartered Accountants &

Statutory Audit Firm

Limerick

Date: 13 February 2023

Bothar CLG
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Statement of financial activities (incorporating income and expenditure account)

For the financial year ended 30 June 2019

	Note	Restricted funds 2019 €	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 (as restated) €
Income from:					
Donations and legacies	4	-	4,042,529	4,042,529	4,185,477
Charitable activities	5	372,582	171,614	544,196	368,226
Investments	8	-	138	138	52
Other income	9	-	36,925	36,925	27,694
Total income		372,582	4,251,206	4,623,788	4,581,449
Expenditure on:					
Raising funds		-	573,335	573,335	537,357
Charitable activities	11	372,582	3,558,556	3,931,138	3,836,242
Exceptional item	10	-	187,768	187,768	125,436
Total expenditure		372,582	4,319,659	4,692,241	4,499,035
Net (expenditure)/income before net gains on investments		-	(68,453)	(68,453)	82,414
Net gains on investments		-	15,457	15,457	-
Net movement in funds before other recognised gains		-	(52,996)	(52,996)	82,414
Other recognised gains:					
Gains on revaluation of fixed assets		-	309,454	309,454	-
Net movement in funds		-	256,458	256,458	82,414
Reconciliation of funds:					
Total funds brought forward		-	1,183,135	1,183,135	1,100,721
Net movement in funds		-	256,458	256,458	82,414
Total funds carried forward		-	1,439,593	1,439,593	1,183,135

The notes on pages 18 to 39 form part of these financial statements.

Balance sheet

For the financial year ended 30 June 2019

	Note	2019 €	2018 €
Fixed assets			
Tangible assets	14	370,353	761,904
Investments	16	39,375	-
Investment property	15	628,295	-
		<u>1,038,023</u>	<u>761,904</u>
Current assets			
Debtors	17	224,775	253,087
Cash at bank and in hand	26	577,860	636,604
		<u>802,635</u>	<u>889,691</u>
Creditors: amounts falling due within one year	18	(213,263)	(164,801)
		<u>1,627,395</u>	<u>1,486,794</u>
Net current assets			
		<u>1,627,395</u>	<u>1,486,794</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	19	(175,440)	(272,808)
Provisions for liabilities	21	(12,362)	(30,851)
		<u>1,439,593</u>	<u>1,183,135</u>
Total net assets			
		<u><u>1,439,593</u></u>	<u><u>1,183,135</u></u>
Charity funds			
Restricted funds	22	-	-
Unrestricted funds	22	1,439,593	1,183,135
		<u>1,439,593</u>	<u>1,183,135</u>
Total funds			
		<u><u>1,439,593</u></u>	<u><u>1,183,135</u></u>

The financial statements were approved and authorised for issue by the Board members on 13 February 2023 and signed on their behalf by:

Kenneth Arthur
Director

Patrick Lavin
Director

The notes on pages 18 to 39 form part of these financial statements.

Statement of cash flows
For the financial year ended 30 June 2019

	2019 €	2018 €
Cash flows from operating activities		
Net cash used in operating activities	<u>83,381</u>	<u>(10,613)</u>
Cash flows from investing activities		
Loan interest	(5,026)	(8,876)
Capital expenditure and financial investment	(39,731)	(24,537)
Net cash used in investing activities	<u>(44,757)</u>	<u>(33,413)</u>
Cash flows from financing activities		
Repayments of borrowing	(97,368)	(97,368)
Net cash used in financing activities	<u>(97,368)</u>	<u>(97,368)</u>
Change in cash and cash equivalents in the financial year	(58,744)	(141,394)
Cash and cash equivalents at the beginning of the financial year	<u>636,604</u>	<u>777,998</u>
Cash and cash equivalents at the end of the financial year	<u><u>577,860</u></u>	<u><u>636,604</u></u>

The notes on pages 18 to 39 form part of these financial statements

Notes to the financial statements

For the financial year ended 30 June 2019

1. General information

Bóthar is a charity based at Old Clare Street, Limerick and is registered in the Republic of Ireland and it has a company registration number of 178045 and charity registration number of 20026592. The primary activities of the charity involve specialising in the provision (primarily in calf-dairy heifers and in-kid goats) and training to needy families in developing countries.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise noted in the accounting policies below. They have been prepared in accordance with the accounting standards issued by the Financial Reporting Council, including FRS102 “The Financial Reporting Standard Applicable in the UK and Republic of Ireland” (“FRS102”) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

Bothar CLG meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity’s accounting policies.

The financial statements are presented in Euro (€) under the historical cost convention.

2.2 Going concern

The extent of the identified alleged fraudulent activities and expenditures for which adequate supporting documentation or explanations have not been provided, within the organisation, when viewed over the historic years has been significant. To the extent that those events occurred in the earlier years the amounts had already been allegedly fraudulently expended and reduced the assets of the company, in those years. Arising from these events the Board applied to the Courts for an injunction to prevent an individual reducing his assets below a specified value. The application was successful and granted by the Courts. The Board have undertaken a civil action to recoup some or all of those funds. At this stage it is not possible to say whether if, how much or when, any funds may be recovered, as a result of that action. These matters have damaged the reputation of the charity in the eyes of the public at large and weakened trust for loyal supporters and partners.

The Board has incurred substantial costs in bringing the matter to this stage, including external investigation, forensic reports on both accounting and information technology and legal costs. The Board subsequently disposed of an office premises held by the company, together with shares held, to defer those costs and thereby secure the continuance of the company. The Board have in addition undertaken remedial action within the company, including a reduction in payroll costs, overhead and running costs, within the organisation.

The company has prepared cash flow projections, which indicate an ability to continue as a going concern for the foreseeable future, which the directors have assessed as twenty-four months. However, beyond that period these cash flow projections are contingent on the expansion of fundraising, future public financial support, and the outcome and financial impact of the on-going investigations and associated costs, which individually or collectively, cannot be reliably determined at this time.

Notes to the financial statements

For the financial year ended 30 June 2019

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Income from government and other grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Deferred grant income and grants debtors arising at the financial year-end are recorded in the Balance Sheet in line with grant performance conditions.

Public donations are recognised on formal notification to the charity, when the charity has control of the funds and the donation amount can be measured reliably. Donations are made on a voluntary basis without specific obligations and may be used for any purpose of the charity (unrestricted funds) unless otherwise advised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Investment income is included when receivable.

Notes to the financial statements

For the financial year ended 30 June 2019

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. The charity has determined this allocation on the basis of direct costs incurred per activity.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

2.5 Foreign currencies

Functional and presentation currency

The Charity's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of financial activities except when deferred in other comprehensive income as qualifying cash flow hedges.

Notes to the financial statements

For the financial year ended 30 June 2019

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Plant and machinery	- 20% straight line
Motor vehicles	- 20% straight line
Fixtures, fittings and office equipment	- 15% straight line
Computer 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.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Creditors

Trade and other creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements

For the financial year ended 30 June 2019

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the financial year.

2.14 Holiday pay provision

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to the financial statements

For the financial year ended 30 June 2019

3. **Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions 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.

Useful Lives of Tangible Fixed Assets

Long lived assets comprising primarily of property represent a significant portion of total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The board members regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was €370,353 (2018: €761,904).

Adoption of going concern basis for financial statements preparation

The directors have prepared budgets and cash flows for a period of at least twenty four months from the date of the approval of the financial statements which demonstrates the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Notes to the financial statements

For the financial year ended 30 June 2019

4. Income from donations and legacies

	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 (as restated) €
Donations	3,629,560	3,629,560	3,828,869
Legacies	412,969	412,969	356,608
	<u>4,042,529</u>	<u>4,042,529</u>	<u>4,185,477</u>

All donation and legacy income in 2018 was unrestricted. See prior year adjustment note at note 6 for further detail on donation and legacy income in 2018.

5. Income from charitable activities

	Restricted funds 2019 €	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 €
Grants	372,582	171,614	544,196	368,226
	<u>372,582</u>	<u>171,614</u>	<u>544,196</u>	<u>368,226</u>
Total 2018	<u>160,000</u>	<u>208,226</u>	<u>368,226</u>	

In 2018 €160,000 in grant income was restricted.

Bothar CLG**(A company limited by guarantee)****Notes to the financial statements****For the Financial year Ended 30 June 2019****6. Grant funding**

Grantor	Grant	Grant term	Grant approved	Grant due 1 July 2018	Deferred Income 1 July 2018	Recognised in P&L	Amount Received	Grant due 30 June 2019	Deferred income 30 June 2019
Heifer International	Project Grant Income	1 December 2018 – 30 June 2019	-	-	-	350,000	350,000	-	-
Bank of Ireland	Project Grant Income	01 July 2018 – 30 June 2019	-	-	-	24,743	24,743	-	-
Total			-	-	-	372,582	372,582	-	-

Notes to the financial statements

For the financial year ended 30 June 2019

7. Prior year adjustment - Non-cash donations income & expenditure

	2018 (as previously stated)	Prior year adjustment	Total funds
	€	€	€
Income donations	5,270,669	(1,441,800)	3,828,869
Expenditure donations	(2,910,600)	1,441,800	(1,468,800)
	<u> </u>	<u> </u>	<u> </u>

The prior year adjustment arises from the overvaluation, in the accounts to 30th June 2018 of donations -in-kind made to the charity during that year. The 2018 income and expenditure figures were both overstated by €1,441,800, as a result of a valuation error in respect of these donations. Donations received during the period were overvalued and therefore a year-end adjustment to both income and expenditure were deemed appropriate. The net impact on movement of funds & net assets was €Nil. There was no impact to the current year.

8. Investment income

	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 €
Investment income	138	138	52
	<u> </u>	<u> </u>	<u> </u>

All investment income in 2018 was unrestricted.

9. Other income

	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 €
Rental income	36,925	36,925	27,694
	<u> </u>	<u> </u>	<u> </u>

All rental income in 2018 was unrestricted.

Notes to the financial statements

For the financial year ended 30 June 2019

10. Exceptional item

An Exceptional item has been included in the Statement of financial activities, as set out in Page 15 of the accounts, as follows:-

	Unrestricted funds 2019 €	Total funds 2019 €	Total funds 2018 €
Identified alleged fraud	187,768	187,768	125,436

The charge in respect of the Exceptional Item reflects the directors' value attributed to the various identified alleged fraudulent activities and expenditures incurred for which adequate supporting documentation or explanations were not provided which were identified and occurred in those accounting years. The directors are advised that in accordance with accounting requirements the overall value of these activities identified in respect of the year being reported on should only be charged in that year (30th June 2019), and in respect of the comparative year (30th June 2018) the results should also be restated to the extent of what the directors believe was the value of these matters in that year.

These amounts do not reflect the full extent of what the directors believe to be the value of the alleged fraudulent activities, which is also described in more detail in the directors' report. The directors are further advised that to the extent that such activities occurred in earlier years they have already been charged against the financial results of those years.

11. Analysis of expenditure by activities

	Activities undertaken directly 2019 €	Support costs 2019 €	Total funds 2019 €	Total funds 2018 (as restated) €
Asia	18,002	10,204	28,206	10,000
Eastern Europe	912,019	160,773	1,072,792	1,486,682
Africa Zone 1	1,871,040	870,223	2,741,263	2,011,405
Africa Zone 2	57,232	31,645	88,877	328,155
	<u>2,858,293</u>	<u>1,072,845</u>	<u>3,931,138</u>	<u>3,836,242</u>
Total 2018	<u>2,955,467</u>	<u>880,775</u>	<u>3,836,242</u>	

Notes to the financial statements

For the financial year ended 30 June 2019

11. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Asia 2019 €	Eastern Europe 2019 €	Africa Zone 1 2019 €	Africa Zone 2 2019 €	Total funds 2019 €	Total funds 2018 (as restated) €
Staff costs	3,036	45,546	245,944	9,109	303,635	269,781
Donations & shipping	-	617,749	851,800	-	1,469,549	1,468,800
Home development	-	35,365	52,897	-	88,262	91,131
Project country development	14,966	213,359	718,748	27,175	974,248	1,107,757
Office supplies	-	-	60	20,948	21,008	12,218
Sundry expenses	-	-	1,480	-	1,480	1,400
Insurance	-	-	-	-	-	3,512
Repairs & maintenance	-	-	111	-	111	685
FX (gain)/loss	-	-	-	-	-	183
	<u>18,002</u>	<u>912,019</u>	<u>1,871,040</u>	<u>57,232</u>	<u>2,858,293</u>	<u>2,955,467</u>
Total 2018	<u>10,000</u>	<u>993,573</u>	<u>1,676,888</u>	<u>275,006</u>	<u>2,955,467</u>	

Notes to the financial statements

For the financial year ended 30 June 2019

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Asia 2019 €	Eastern Europe 2019 €	Africa Zone 1 2019 €	Africa Zone 2 2019 €	Total funds 2019 €	Total funds 2018 (as restated) €
Staff costs	4,554	68,318	368,916	13,663	455,451	404,673
Depreciation	782	11,737	63,379	2,347	78,245	42,737
Home development	1,053	17,514	94,825	3,389	116,781	129,885
Project country development	189	3,341	18,086	647	22,263	2,676
Phone & postage	496	13,122	71,051	2,539	87,208	68,435
Office supplies	59	966	5,232	186	6,443	9,490
Sundry expenses	416	970	5,250	189	6,825	8,825
Computer costs	574	10,996	59,534	2,126	73,230	37,672
Rent, rates & water	5	76	415	14	510	513
Insurance	75	1,247	7,074	253	8,649	7,634
Light & heat	42	694	3,762	135	4,633	4,439
Repairs & maintenance	143	2,050	11,695	384	14,272	19,828
Travel & subsistence	54	797	4,321	155	5,327	5,048
Promotion costs	666	10,865	58,824	2,102	72,457	68,170
Auditor & accountancy fees	898	7,678	41,546	1,495	51,617	37,700
Legal & professional fees	34	7,664	41,490	1,483	50,671	12,926
Bank interest & charges	177	2,952	15,979	579	19,687	23,629
FX (gain)/loss	(13)	(214)	(1,156)	(41)	(1,424)	(3,505)
	<u>10,204</u>	<u>160,773</u>	<u>870,223</u>	<u>31,645</u>	<u>1,072,845</u>	<u>880,775</u>
Total 2018	<u>-</u>	<u>493,109</u>	<u>334,517</u>	<u>53,149</u>	<u>880,775</u>	

Notes to the financial statements

For the financial year ended 30 June 2019

12. Staff costs

	2019	2018 (as restated)
	€	€
Wages and salaries	635,072	580,304
Social security costs	69,351	63,118
Contribution to defined contribution pension schemes	54,663	31,032
	<u>759,086</u>	<u>674,454</u>

Included in the wages and salaries cost noted above for 2019 was €40,000 redundancy payment.

The average number of persons employed by the charity during the financial year was as follows:

	2019	2018
	No.	No.
Number of programme staff	4	4
Number of fundraising staff	5	4
Number of administration staff	3	3
	<u>12</u>	<u>11</u>

The number of higher paid employees was:

	2019	2018
	No.	No.
In the band €60,001 - €70,000	3	1
In the band €70,001 - €80,000	1	-
In the band €90,001 - €100,000	1	1

Capitalised employee costs during the financial year amounted to €NIL (2018 - €NIL).

Key management personnel received €96,000 (2018 (as restated): €96,000) as compensation during the financial year.

13. Board members' remuneration and expenses

During the financial year, no Board Members received any remuneration (2018 - €NIL).

During the financial year, no Board Members received any benefits in kind (2018 - €NIL).

During the financial year, no Board Members received any reimbursement of expenses (2018 - €NIL).

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

Bothar CLG
(A company limited by guarantee)

Notes to the financial statements

For the financial year ended 30 June 2019

14. Tangible fixed assets

	Freehold property €	Plant and machinery €	Motor vehicles €	Fixtures and fittings €	Office equipment €	Computer equipment €	Total €
Cost or valuation							
At 1 July 2018	810,095	15,150	16,000	257,178	88,375	130,881	1,317,679
Additions	-	7,000	-	4,065	-	4,748	15,813
Disposals	(32,721)	(12,050)	-	(209,577)	(68,206)	(105,178)	(427,732)
Transfers between classes	(628,295)	-	-	-	-	-	(628,295)
Revaluations	257,549	-	-	-	-	-	257,549
At 30 June 2019	<u>406,628</u>	<u>10,100</u>	<u>16,000</u>	<u>51,666</u>	<u>20,169</u>	<u>30,451</u>	<u>535,014</u>
Depreciation							
At 1 July 2018	104,342	12,670	9,600	233,981	77,419	117,763	555,775
Charge for the financial year	54,461	2,020	3,200	7,750	3,200	7,613	78,244
On disposals	(24,645)	(12,050)	-	(207,374)	(68,206)	(105,178)	(417,453)
On revalued assets	(51,905)	-	-	-	-	-	(51,905)
At 30 June 2019	<u>82,253</u>	<u>2,640</u>	<u>12,800</u>	<u>34,357</u>	<u>12,413</u>	<u>20,198</u>	<u>164,661</u>
Net book value							
At 30 June 2019	<u><u>324,375</u></u>	<u><u>7,460</u></u>	<u><u>3,200</u></u>	<u><u>17,309</u></u>	<u><u>7,756</u></u>	<u><u>10,253</u></u>	<u><u>370,353</u></u>
At 30 June 2018	<u><u>705,753</u></u>	<u><u>2,480</u></u>	<u><u>6,400</u></u>	<u><u>23,197</u></u>	<u><u>10,956</u></u>	<u><u>13,118</u></u>	<u><u>761,904</u></u>

Notes to the financial statements

For the financial year ended 30 June 2019

15. Investment property

	Freehold investment property €
Valuation	
Transfers between classes	628,295
At 30 June 2019	<u>628,295</u>

Colliers International carried out a valuation during the financial year on the investment property. The basis of the valuation was on an investment basis using the Term and Reversion method of valuation. The method of significant assumption applied in determining the fair value were as follows:
 - The property is held on a good and Marketable Long Leasehold Title

16. Investments

	Listed investments €
Cost or valuation	
Additions	23,918
Revaluations	15,457
At 30 June 2019	<u>39,375</u>

17. Debtors

	2019 €	2018 €
Amounts owed by group undertakings	8	-
Other debtors	12,500	-
Prepayments and accrued income	212,267	253,087
	<u>224,775</u>	<u>253,087</u>

Notes to the financial statements

For the financial year ended 30 June 2019

18. Creditors: Amounts falling due within one year

	2019 €	2018 €
Bank loans	97,369	97,368
Trade creditors	69,251	28,653
Amounts owed to group undertakings	-	37
PAYE/PRSI	19,741	21,713
Accruals	26,902	17,030
	<u>213,263</u>	<u>164,801</u>

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Tax and social securities are repayable at various dates over the coming months in line with tax and authority guidelines.

19. Creditors: Amounts falling due after more than one year

	2019 €	2018 €
Bank loans	<u>175,440</u>	<u>272,808</u>

Included within the above are amounts falling due as follows:

	2019 €	2018 €
Between one and two years		
Bank loans	<u>175,440</u>	<u>194,736</u>
Between two and five years		
Bank loans	<u>-</u>	<u>78,072</u>

The bank loans and overdrafts are secured against assets of the charity. The charity's total banks loans and overdrafts at 30 June 2019 were €272,809 (2018: €370,176). The loans and overdrafts are from commercial institutions which charge a market interest rate. The loans and overdrafts are due for repayment in regular installments in line with the terms of the loan and facility agreements. Ulster Bank hold a number of charges over charity property.

Notes to the financial statements

For the financial year ended 30 June 2019

20. Financial instruments

	2019	2018
	€	€
Financial assets		
Cash and cash equivalents	577,860	636,604
Financial assets measured at amortised cost	12,508	-
	<u>590,368</u>	<u>636,604</u>
	2019	2018
	€	€
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(368,962)</u>	<u>(415,896)</u>

Financial assets that are measured at amortised cost comprise of amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise of bank loans, trade creditors, amounts owed to group undertakings and accruals.

21. Provisions

	Holiday pay
	€
At 1 July 2018	30,851
Movement	<u>(18,489)</u>
	<u>12,362</u>

Holiday Pay

The holiday pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

Notes to the financial statements

For the financial year ended 30 June 2019

22. Statement of funds

Statement of funds - current financial year

	Balance at 1 July 2018 €	Income €	Expenditure €	Gains/ (Losses) €	Balance at 30 June 2019 €
Unrestricted funds					
General Funds	1,183,135	4,251,206	(4,319,659)	324,911	1,439,593
Restricted funds					
Restricted Funds - all funds	-	372,582	(372,582)	-	-
Total of funds	1,183,135	4,623,788	(4,692,241)	324,911	1,439,593

23. Summary of funds

Summary of funds - current financial year

	Balance at 1 July 2018 €	Income €	Expenditure €	Gains/ (Losses) €	Balance at 30 June 2019 €
General funds	1,183,135	4,251,206	(4,319,659)	324,911	1,439,593
Restricted funds	-	372,582	(372,582)	-	-
	1,183,135	4,623,788	(4,692,241)	324,911	1,439,593

Notes to the financial statements

For the financial year ended 30 June 2019

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 €	Total funds 2019 €
Tangible fixed assets	370,353	370,353
Fixed asset investments	39,375	39,375
Investment property	628,295	628,295
Current assets	802,635	802,635
Creditors due within one year	(213,263)	(213,263)
Creditors due in more than one year	(175,440)	(175,440)
Provisions for liabilities and charges	(12,362)	(12,362)
Total	1,439,593	1,439,593

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 €	Total funds 2018 €
Tangible fixed assets	761,904	761,904
Current assets	889,691	889,691
Creditors due within one year	(164,801)	(164,801)
Creditors due in more than one year	(272,808)	(272,808)
Provisions for liabilities and charges	(30,851)	(30,851)
Total	1,183,135	1,183,135

Notes to the financial statements

For the financial year ended 30 June 2019

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 €	2018 €
Net income/expenditure for the year (as per Statement of Financial Activities)	(52,996)	82,414
Adjustments for:		
Depreciation charges	78,244	42,738
Unrealised (gains)/losses on investments	(15,457)	-
Loss on the disposal of fixed assets	10,280	-
Decrease/(increase) in debtors	28,320	(151,726)
Increase in creditors	48,498	9,727
Decrease/(Increase) in amounts owed to group undertakings	(45)	(34)
Interest payable	5,026	8,876
Increase/(Decrease) in provisions	(18,489)	(2,608)
Net cash provided by/(used in) operating activities	83,381	(10,613)

26. Analysis of cash and cash equivalents

	2019 €	2018 €
Cash in hand	577,860	636,604
Total cash and cash equivalents	577,860	636,604

27. Capital Commitments

At 30 June 2019 the charity had no capital commitments.

28. Pension commitments

The entity participates in a defined contribution scheme. The assets of the scheme are held separately from those of the charity. The pension cost charged to the income and expenditure account for the period was €54,663 (30 June 2018 (as restated): €31,032).

29. Transactions with board members

There were no arrangements or transactions with Board Members during the financial year.

Notes to the financial statements

For the financial year ended 30 June 2019

30. Related party transactions

Bóthar Limited, a Northern Ireland registered company, was a related party of Bóthar CLG, the company is now dissolved. No transactions with related parties occurred requiring financial statement disclosure under FRS102, Section 33 "Related Party Transactions".

31. Post balance sheet events

Subsequent to the year ended 30 June 2019, the below matters have arose which have been described in more detail in the directors' report:

1. Following a whistleblower disclosure, the company commenced investigations into the alleged fraudulent activities involving members of management over a number of years prior to, during and subsequent to the current financial year.
2. There are ongoing investigations into the various activities by the former CEOs over a substantial number of years. The actions of the former CEOs remain the subject of both criminal (Garda) investigation and civil litigation whereby the outcomes of these investigations are not known at this point.
3. In January 2022 a net amount of €552,280 was realised from the sale of a former office premises in Dublin and this has supplemented the liquid resources of the charity to facilitate the continuation of charitable project works.

32. Comparative information

Comparative information has been reanalysed where necessary to conform to current year presentation. This reclass of comparatives arose between the 'Charitable activities' and the 'Exceptional item' from the identified alleged fraudulent activities as explained in more detail in the directors' report and note 10 'Exceptional Item'.

33. Controlling party

The entity is under the control of its Board Members.

34. Taxation

No corporation taxation is payable under the provisions of section 207, 208 and 209 of the Tax Consolidation Act 1997.

The entity has registered charitable status from Revenue (Reference 6578045C, Access No: 854753).

35. Members liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding €1 for the debts and liabilities contracted before he/she ceases to be a member. The directors' are also members of the charity.

Bothar CLG
(A company limited by guarantee)

Notes to the financial statements

For the financial year ended 30 June 2019

36. Approval of financial statements

The Directors approved these financial statements for issue on 13 February 2023.