



## APPENDIX 5: Reports and Financial Statements for the year ended 31 December 2019

### Statement of Members' Responsibilities

The Milk (Regulation of Supply) Act, 1994 requires the members to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the National Milk Agency and of the surplus or deficit of the Agency for that period. The members have elected to prepare the financial statements in accordance with FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("relevant financial reporting framework"). In preparing those financial statements, the members are required to:

- ▶ select suitable accounting policies for the Agency's financial statements 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 the 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 Agency will continue in business.

In accordance with the Act, the members are responsible for keeping proper books of account and other books and records as are necessary to give a true and fair view of the Agency's business and affairs. The members are also responsible for safeguarding the assets of the Agency and hence for taking reasonable steps to provide adequate protection in this regard.

The members are also responsible for the maintenance and integrity of the corporate and financial information included on the Agency's website.



## Statement on Internal Control

### Scope of Responsibility

The Agency acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016) (the “2016 Code”).

### Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance in the “2016 Code” has been in place in the Agency for the year ended 31 December 2019 and up to the date of approval of the financial statements.

### Capacity to Handle Risk

The Agency has an Audit and Risk Committee (ARC) which is comprised of four Board members, who together have appropriate financial and audit expertise. The ARC held two meetings in 2019.

The Agency has engaged the services of an internal auditor, who conducts a programme of work, which is agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff, who are expected to work within the Agency’s risk management policies, alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own areas of work.

### Risk and Control Framework

The Agency has implemented a risk management system, which identifies and reports key risks and the management actions to be taken to address and, to the extent possible, mitigate these risks.

A risk register is in place which identifies the key risks facing the Agency. These have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC at each meeting. The outcome of these assessments is used to plan and allocate resources to ensure that risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks. Responsibility for the operation of controls have been assigned to specific staff. A control environment containing the following elements is in place:

- ▶ procedures for all key business processes have been documented
- ▶ financial responsibilities have been assigned at management level with corresponding accountability
- ▶ an appropriate budgeting system with an annual budget is in place which is kept under review by senior management
- ▶ systems aimed at ensuring the security of the information and communication technology systems are in place
- ▶ systems are in place to safeguard the assets



## Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies and have been communicated to those responsible for taking corrective action, to management, to the ARC and to the Board, where relevant, in a timely way. The following ongoing monitoring systems are in place:

- ▶ key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- ▶ reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- ▶ senior management undertakes regular reviews of periodic and annual performance and financial reports against budgets/forecasts.

## Procurement

The Agency has procedures in place to ensure compliance with current procurement rules and guidelines. During 2019 the Agency complied with these rules and guidelines.

## Annual Review of Effectiveness

The Agency has conducted a review of the effectiveness of the System of Internal Control for the year ended 31 December 2019.

## Internal Control Issues

No weaknesses in internal control were identified in 2019 that required disclosure in the financial statements.

## Compliance with the “2016 Code”

Subject to the provisions of the Milk (Regulation of Supply) Acts 1994 to 1996 (“the Acts”) the Agency considers that it is in compliance with the governance practices and procedures of the “2016 Code” apart from the following derogations, which it has sought and received:

1. Audit and Risk Committee
  - a) The requirement for a formal written annual report to the members is replaced by a formal report by the Committee to the members summarising its conclusions for the work it has done during the year to support finalisation of the annual Financial Statements.
  - b) The requirement to hold at least 4 meetings per year is reduced to 2 meetings per year with additional meetings to be held, if required.
2. The requirement that members should leave meetings when conflicts of interests arise (as in the case of milk supply contracts) shall not apply. Meetings are to be conducted in accordance with the method of proceedings in the Agency’s Working Guidelines.
3. The Five Year Strategy Plan can be tailored to suit the needs of the Agency.

**Denis Murphy**  
*Chairman*

**T.J. Flanagan**  
*Member*

**24 March 2020**



## Independent Auditors' Report to the Members of The National Milk Agency Report on the audit of the financial statements

### Opinion on the Financial Statements of the National Milk Agency (the 'Agency')

In our opinion the financial statements:

- ▶ give a true and fair view of the assets, liabilities and financial position of the Agency as at 31 December 2019 and of the deficit for the financial year then ended; and
- ▶ have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- ▶ the Statement of Income and Accumulated Fund;
- ▶ the Balance Sheet;
- ▶ the Statement of Cash Flows; and
- ▶ the related notes 1 to 13, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("the relevant financial reporting framework").

### 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 described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the Agency 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- ▶ the members use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- ▶ the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Agency's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other Information

The members are responsible for the other information. The other information comprises the Statement of Members' Responsibilities and the Statement on Internal Control included in the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and 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 expected to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Members**

As explained more fully in the Statement of Members' Responsibilities, the members are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the members 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 members are responsible for assessing the Agency'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 members either intend to liquidate the Agency or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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 judgment 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 Agency's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- ▶ Conclude on the appropriateness of the members' 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 Agency'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 the auditor's report. However, future events or conditions may cause the entity 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 the auditor identifies during the audit.

This report is made solely to the Agency's members, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Agency's members those matters we are expected 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 Agency and the Agency's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Matters on Which we are Required to Report by Exception**

Under the Code of Practice for the Governance of State Bodies (2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal financial control required under the Code of Practice as included in the Statement on Internal Control does not reflect the Agency's compliance with paragraph 1.9(iv) of the 2016 Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

**Brian Murphy**

*For and on behalf of  
Deloitte Ireland LLP,  
Chartered Accountants and Statutory Audit Firm,  
Deloitte & Touche House,  
Earlsfort Terrace,  
Dublin 2*

**26 March 2020**



## Statement of Income and Accumulated Fund For the Year Ended 31 December 2019

	<i>Notes</i>	<b>2019</b>	2018
		€	€
<b>INCOME</b>			
Milk levy – continuing operations	3	<b>497,735</b>	506,084
Deposit interest		<b>214</b>	442
		<b>497,949</b>	506,526
<b>EXPENDITURE</b>			
Salaries and superannuation	4	<b>343,054</b>	334,819
Administration costs	5	<b>189,283</b>	193,657
Depreciation		<b>8,004</b>	7,123
<b>TOTAL EXPENDITURE</b>		<b>540,341</b>	535,599
<b>DEFICIT BEFORE TAXATION</b>		<b>(42,392)</b>	(29,073)
Taxation	6	–	–
<b>DEFICIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b>(42,392)</b>	(29,073)
Accumulated Fund at the beginning of the reporting year		<b>1,020,203</b>	1,049,276
Accumulated Fund at the end of the reporting year		<b>977,811</b>	1,020,203

## Balance Sheet

### As at 31 December 2019

	Notes	2019 €	2018 €
<b>FIXED ASSETS</b>			
Tangible assets	7	<b>4,819</b>	10,836
<b>CURRENT ASSETS</b>			
Debtors	8	<b>77,415</b>	106,980
Cash at bank and in hand		<b>916,886</b>	945,646
		<b>994,301</b>	1,052,626
<b>CURRENT LIABILITIES</b>			
<b>CREDITORS</b> (Amounts falling due within one year)	9	<b>(21,309)</b>	(43,259)
<b>NET CURRENT ASSETS</b>		<b>972,992</b>	1,009,367
<b>NET ASSETS</b>		<b>977,811</b>	1,020,203
<b>REPRESENTED BY:</b>			
Accumulated Fund		<b>977,811</b>	1,020,203

The financial statements were approved by the Members on 24 March 2020.

**Denis Murphy**  
Chairman

**T.J Flanagan**  
Member



## Statement of Cash Flows

### For the Year Ended 31 December 2019

	<i>Notes</i>	<b>2019</b>	2018
		€	€
<b>Net cash flows from operating activities</b>	13	<b>(26,987)</b>	(10,474)
<b>Cash flows from investing activities</b>			
Deposit interest		<b>214</b>	442
Purchase of tangible fixed assets		<b>(1,987)</b>	(3,766)
<b>Net cash flows from investing activities</b>		<b>(1,773)</b>	(3,324)
<b>Net decrease in cash and cash equivalents</b>		<b>(28,760)</b>	(13,798)
Cash and cash equivalents at beginning of financial year		<b>945,646</b>	959,444
<b>Cash and cash equivalents at end of financial year</b>		<b>916,886</b>	945,646
<b>Reconciliation to cash and cash equivalents</b>			
Current account		<b>65,952</b>	45,296
Deposit account		<b>850,934</b>	900,350
		<b>916,886</b>	945,646



## Notes to the Financial Statements For the Year Ended 31 December 2019

### 1. ACCOUNTING POLICIES

The significant accounting policies adopted by the Agency are summarised below and have all been applied consistently throughout the financial year and to the preceding financial year.

#### General information and Basis of Accounting

The National Milk Agency was set up under the Milk (Regulation of Supply) Act, 1994 to regulate the supply of milk for liquid consumption throughout the State. The Agency comprises a chairman and 13 members representing the interests of producers, processors, distributors, retailers and consumers of milk. The Agency is financed by the industry through levies on milk purchased for processing for liquid consumption. The registered office is Holly Park Studio, Holly Park Avenue, Blackrock, Co. Dublin.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

#### Going Concern

The National Milk Agency activities, together with factors likely to affect its future development, performance and position are set out in the financial statements. The Agency meets its day to day working capital requirements through its cash reserves. The members of the board have reasonable expectations that the Agency has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Income

Income arises from a levy of 0.115 cent per litre of milk purchased for processing for liquid consumption and is payable by milk processors under Section 8 of the Milk (Regulation of Supply) Act, 1994. The milk levy receivable included in the financial statements is based on returns received from processors or their estimated milk supplies where returns have not been received.

#### Investment Income

Investment Income is recorded on a receivable basis.

#### Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation.

#### Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives as follows:

Furniture	10 years
Office equipment	5 years
Computer equipment	3 years



### National Milk Agency Staff Superannuation Scheme 2010

The Minister approved the National Milk Agency Staff Superannuation Scheme 2010 for Agriculture, Fisheries and Food with the consent of the Minister for Finance on 30 November 2010. The Scheme is set out in S.I. No. 588 of 2010.

The Department of Finance has confirmed to the Agency that the Exchequer will bear the cost of paying all superannuation benefits to and in respect of the pensionable employees (including the CEO), of the Agency. The Department of Finance confirmed that the rate of employer's contribution would not exceed 16 $\frac{2}{3}$ %. The Department of Agriculture, Food and the Marine, also confirmed that subject to the payment by the Agency to the Department of Agriculture, Food and the Marine, of all employer and employee contributions collected to date and for the future, the Department will accept responsibility for meeting the superannuation entitlements of the members of the proposed Scheme in respect of their membership of that Scheme and of the former Dublin District Milk Board Pension Scheme.

FRS 102 permits defined benefit schemes (state plans), to be accounted for as if they were defined contribution schemes with no requirement to account for the fair value of the assets and liabilities of the scheme or to disclose the scheme liabilities. Accordingly, the National Milk Agency considers that since this arrangement will have the same financial effect as a defined contribution scheme, no FRS 102 additional disclosures are required.

The pension cost represents contributions payable by the Agency and are charged to the Statement of Income and Accumulated Fund as incurred.

### Operating Leases

Rentals under operating leases are charged to Statement of Income and Accumulated Fund as incurred.

### Taxation

The Agency is included as an exempt body under the Taxes Consolidation Act, 1997 (Amendment of Schedule 4) Order, 2002, effective from 30 December 1994. Under Section 227 of the Taxes Consolidation Act, 1997, however, deposit interest arising to specified non-commercial state sponsored bodies, including the National Milk Agency is not entitled to exemption from deposit interest retention tax.

### Financial Instruments

Financial assets and financial liabilities are recognised when the Agency becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

#### *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Agency intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Agency transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Agency, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Agency's accounting policies, which are described in note 1, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

## 3. MILK LEVY

A levy of 0.115 cent per litre of milk purchased for processing for liquid consumption is payable by milk processors under Section 8 of the Milk (Regulation of Supply) Act, 1994.

The milk levy receivable included in the financial statements is based on returns received from processors or their estimated milk supplies where returns have not been received.

## 4. EMPLOYEES AND REMUNERATION

	2019	2018
	Number	Number
<b>Average number of persons employed:</b>		
Staff	5	5
	2019	2018
	€	€
Salaries	275,400	269,498
Social insurance costs	21,761	20,120
Employer's superannuation contributions	45,893	45,201
	<b>343,054</b>	334,819



### Key Management Compensation

Key management compensation refers to the Chief Executive Officer, whose employee benefits are set out hereunder:

	2019	2018
	€	€
Salary	<b>88,081</b>	86,920
Employer's superannuation contributions	<b>14,683</b>	14,490
	<b>102,764</b>	101,410

The employee benefits for each of the other personnel are below the €60,000 p.a. threshold bands in 2019 and 2018.

## 5. ADMINISTRATION COSTS

	2019	2018
	€	€
Staff travel and subsistence	<b>35,404</b>	31,601
Members' travel and subsistence	<b>20,957</b>	16,398
Chairman's remuneration	<b>8,978</b>	8,978
Stationery	<b>777</b>	1,710
Reports and surveys	<b>2,215</b>	1,065
Annual Report	<b>9,443</b>	10,215
Telephone	<b>5,650</b>	5,481
Postage	<b>1,126</b>	1,665
Publications	<b>1,742</b>	2,859
Legal fees	<b>11,966</b>	15,512
Consultancy fees	<b>20,273</b>	11,706
Accounting and professional fees	<b>2,800</b>	2,800
Audit Fees	<b>7,289</b>	13,893
Rent and rates	<b>36,130</b>	37,811
Insurance	<b>3,021</b>	3,035
Repairs and renewals	<b>3,819</b>	4,243
Miscellaneous	<b>7,383</b>	8,415
Meeting expenses	<b>4,586</b>	3,975
Hospitality expenditure	<b>2,818</b>	6,195
Training and education	<b>2,906</b>	3,000
Election	-	3,100
	<b>189,283</b>	193,657

Travel and subsistence expenses relate to national travel.

## 6. TAXATION

The Agency is included as an exempt body under the Taxes Consolidation Act, 1997 (Amendment of Schedule 4) Order, 2002, effective from 30 December 1994. Under Section 227 of the Taxes Consolidation Act, 1997, however, deposit interest arising to specified non-commercial state sponsored bodies, including the National Milk Agency is not entitled to exemption from deposit interest retention tax. Deposit interest is presented net of deposit interest retention tax of €146 (2018: €238).

## 7. TANGIBLE FIXED ASSETS

	Furniture €	Office equipment €	Computer equipment €	Total €
<b>Cost:</b>				
At 1 January 2019 and	16,466	25,679	98,971	141,116
Additions in year	–	–	1,987	1,987
<b>At 31 December 2019</b>	<b>16,466</b>	<b>25,679</b>	<b>100,958</b>	<b>143,103</b>
<b>Depreciation:</b>				
At 1 January 2019	13,420	24,742	92,118	130,280
Charged in year	381	394	7,229	8,004
<b>At 31 December 2019</b>	<b>13,801</b>	<b>25,136</b>	<b>99,347</b>	<b>138,284</b>
<b>Net book amounts:</b>				
<b>At 31 December 2019</b>	<b>2,665</b>	<b>543</b>	<b>1,611</b>	<b>4,819</b>
At 31 December 2018	3,046	937	6,853	10,836

## 8. DEBTORS (Amounts falling due within one year)

	2019 €	2018 €
Milk levy receivable	66,278	96,863
Prepayments	2,501	4,117
Other debtors	8,636	6,000
	<b>77,415</b>	106,980

## 9. CREDITORS (Amounts falling due within one year)

	2019 €	2018 €
Accruals and other creditors	14,732	35,625
PAYE/PRSI/USC	6,577	7,994
	<b>21,309</b>	43,259



## 10. FINANCIAL INSTRUMENTS

The carrying values of the Agency's financial assets and liabilities are summarised by category below:

	2019	2018
	€	€
<b>Financial assets</b>		
<i>Measured at undiscounted amount payable</i>		
• Milk levy receivable and other debtors (note 8)	<b>74,914</b>	102,863
<b>Financial liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
• Other creditors (note 9)	<b>813</b>	872

## 11. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases relating to property, are as follows:

	2019	2018
	€	€
Within one year	<b>30,000</b>	30,000
Between one and five years	<b>42,500</b>	72,500
	<b>72,500</b>	102,500

## 12. NATIONAL MILK AGENCY STAFF SUPERANNUATION SCHEME 2010

The total expense charged to the Statement of Income and Accumulated Fund in the year ended 31 December 2019 was €45,893 (2018: €45,201).

## 13. RECONCILIATION OF DEFICIT BEFORE TAXATION TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2019	2018
	€	€
<i>Reconciliation of deficit to cash generated by activities</i>		
<b>Deficit before taxation</b>	<b>(42,392)</b>	(29,073)
Adjustment for:		
Deposit interest	<b>(214)</b>	(442)
Depreciation of tangible fixed assets	<b>8,004</b>	7,123
<b>Operating cash flows before movement in working capital</b>	<b>(34,602)</b>	(22,392)
Decrease in debtors	<b>29,565</b>	24,492
Decrease in creditors	<b>(21,950)</b>	(12,574)
<b>Net cash flows from operating activities</b>	<b>(26,987)</b>	(10,474)