

**REGISTERED NUMBER: 03592310 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
THE PROJECT FINANCE ASSOCIATION**

**THE PROJECT FINANCE ASSOCIATION**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2
<b>Report of the Independent Auditors</b>	4
<b>Income Statement</b>	7
<b>Balance Sheet</b>	8
<b>Statement of Changes in Equity</b>	9
<b>Notes to the Financial Statements</b>	10
<b>Detailed Income and Expenditure Account</b>	13

**THE PROJECT FINANCE ASSOCIATION**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**DIRECTORS:**

G N Haley  
Ms D Brooker  
A I Higgins  
Ms C R Smith Lytton  
Ms N Nikolova  
S P Johnson  
Ms A C Eveno  
F Fadipe  
Ms P S A Eddie  
D B Leadsom  
J E P Hanley  
M Jordan-Tank  
Ms N Wang  
N J Chism  
I McGookin

**SECRETARY:** M Richards

**REGISTERED OFFICE:**

The Cursitor  
38 Chancery Lane  
London  
WC2A 1EN

**REGISTERED NUMBER:** 03592310 (England and Wales)

**AUDITORS:**

D & J Randles Ltd  
Chartered Accountants and  
Statutory Auditor  
203 Askern Road  
Bentley  
Doncaster  
South Yorkshire  
DN5 0JR

**THE PROJECT FINANCE ASSOCIATION**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of connecting, empowering, progressing and representing energy, infrastructure and project finance professionals by providing a platform for thought leadership, professional development and networking.

**DIRECTORS**

The directors shown below held office during the whole of the period from 1 January 2021 to the date of this Report:

G N Haley  
Ms D Brooker  
A I Higgins  
Ms C R Smith Lytton  
Ms N Nikolova  
S P Johnson  
F Fadipe  
Ms A S Eveno  
Ms P S A Eddie  
D B Leadsom

Changes to directors during the year were as follows:

N J Chism (Appointed 5.5.21)  
Ms N Wang (Appointed 5.5.21)  
M Jordan-Tank (Appointed 5.5.21)  
J E P Hanley (Appointed 5.5.21)

Changes to directors since the end of the year were as follows:

I McGookin (Appointed 18.2.22)  
J Willenbrock (Resigned 17.2.22)

The following directors held office from 1 January 2021 to the date of their resignation:

A M Nooy (Resigned 5.5.21)  
A B Perkins (Resigned 5.5.21)  
J E Prescott (Resigned 5.5.21)  
J P Seed (Resigned 5.5.21)

**THE PROJECT FINANCE ASSOCIATION**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, D & J Randles Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
Ms D Brooker - Director

Date: .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PROJECT FINANCE ASSOCIATION**

### **Opinion**

We have audited the financial statements of The Project Finance Association (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PROJECT FINANCE ASSOCIATION**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

\* We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

\* We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation.

\* We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

\* With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Directors.

\* We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE PROJECT FINANCE ASSOCIATION**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.

D F Randles (Senior Statutory Auditor)  
for and on behalf of D & J Randles Ltd  
Chartered Accountants and  
Statutory Auditor  
203 Askern Road  
Bentley  
Doncaster  
South Yorkshire  
DN5 0JR

Date: .....



**THE PROJECT FINANCE ASSOCIATION**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	31.12.21 £	31.12.20 £
<b>TURNOVER</b>		739,786	795,641
Administrative expenses		<u>720,908</u>	<u>710,270</u>
<b>OPERATING SURPLUS</b>	4	18,878	85,371
Interest receivable and similar income		<u>-</u>	<u>4</u>
		18,878	85,375
Interest payable and similar expenses		<u>15,090</u>	<u>(10,331)</u>
<b>SURPLUS BEFORE TAXATION</b>		3,788	95,706
Tax on surplus	5	<u>-</u>	<u>-</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		<u><u>3,788</u></u>	<u><u>95,706</u></u>

The notes form part of these financial statements

**THE PROJECT FINANCE ASSOCIATION (REGISTERED NUMBER: 03592310)**

**BALANCE SHEET  
31 DECEMBER 2021**

	Notes	31.12.21 £	£	31.12.20 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		70,774		105,350
Investments	7		<u>101</u>		<u>101</u>
			70,875		105,451
<b>CURRENT ASSETS</b>					
Debtors	8	51,897		15,688	
Cash at bank and in hand		<u>616,268</u>		<u>624,805</u>	
			668,165		640,493
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>453,765</u>		<u>464,457</u>	
<b>NET CURRENT ASSETS</b>			<u>214,400</u>		<u>176,036</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>285,275</u>		<u>281,487</u>
<b>RESERVES</b>					
Income and expenditure account			<u>285,275</u>		<u>281,487</u>
			<u>285,275</u>		<u>281,487</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

.....

Ms D Brooker - Director

**THE PROJECT FINANCE ASSOCIATION**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Retained earnings £	Total equity £
<b>Balance at 1 January 2020</b>	185,781	185,781
<b>Changes in equity</b>		
Total comprehensive income	<u>95,706</u>	<u>95,706</u>
<b>Balance at 31 December 2020</b>	<u>281,487</u>	<u>281,487</u>
<b>Changes in equity</b>		
Total comprehensive income	<u>3,788</u>	<u>3,788</u>
<b>Balance at 31 December 2021</b>	<u><u>285,275</u></u>	<u><u>285,275</u></u>

The notes form part of these financial statements

**THE PROJECT FINANCE ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. STATUTORY INFORMATION**

The Project Finance Association is a private company, limited by guarantee, registered in England. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Preparation of consolidated financial statements**

The financial statements contain information about The Project Finance Association as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computers & software - 33% on cost and 20% on cost

**Taxation**

The company is not subject to corporation tax on its ordinary activities except in respect of its investment income.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 11 (2020 - 10).

**4. OPERATING SURPLUS**

The operating surplus is stated after charging:

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	45,399	26,998
Auditors' remuneration	<u>3,996</u>	<u>3,450</u>

**THE PROJECT FINANCE ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

The company is only liable to corporation tax on its investment income.

**6. TANGIBLE FIXED ASSETS**

	Computers & software £
<b>COST</b>	
At 1 January 2021	184,857
Additions	<u>10,823</u>
At 31 December 2021	<u>195,680</u>
<b>DEPRECIATION</b>	
At 1 January 2021	79,507
Charge for year	<u>45,399</u>
At 31 December 2021	<u>124,906</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u><u>70,774</u></u>
At 31 December 2020	<u><u>105,350</u></u>

**7. FIXED ASSET INVESTMENTS**

	Other investments £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>101</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u><u>101</u></u>
At 31 December 2020	<u><u>101</u></u>

The company's investment represents the following holdings:

1. 100% shareholding in IPFA Training Academy Ltd
2. 100% shareholding in IPFA Ltd

Both companies are currently dormant.

**THE PROJECT FINANCE ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>8.</b>	<b>DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.21	31.12.20
		£	£
	Trade debtors	43,200	11,576
	Other debtors	3,331	-
	Sundry debtors and prepayments	<u>5,366</u>	<u>4,112</u>
		<u>51,897</u>	<u>15,688</u>

<b>9.</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.21	31.12.20
		£	£
	Prepaid Membership & Training	302,875	336,431
	Trade creditors	933	1,957
	Tax	12	12
	VAT	49,020	42,825
	Sundry creditors	4,158	3,951
	Accruals	<u>96,767</u>	<u>79,281</u>
		<u>453,765</u>	<u>464,457</u>

**10. RELATED PARTY DISCLOSURES**

G N H Projects Ltd is a company in which Mr G N Haley, a director of the company, is a shareholder and director.

During the year, G N H Projects Ltd charged the company £28,100 (2019 - £35,600) for administrative and marketing services.

Mr Haley also provided training services to the company during the year amounting to £Nil (2019 - £46,800).

**11. LIMITED BY GUARANTEE**

The company is limited by guarantee.

**THE PROJECT FINANCE ASSOCIATION**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	31.12.21		31.12.20	
	£	£	£	£
<b>Turnover</b>				
Membership subscriptions	649,904		717,693	
Training event revenue	89,882		67,998	
Event income	<u>-</u>		<u>9,950</u>	
		739,786		795,641
<b>Other income</b>				
Deposit account interest		<u>-</u>		<u>4</u>
		739,786		795,645
<b>Expenditure</b>				
Rent and service charges	21,380		54,750	
Insurance	2,270		1,507	
Directors' salaries	131,876		101,000	
Directors' social security	16,265		12,726	
Directors' pensions paid	2,241		2,189	
Wages & social security	371,373		351,490	
Pensions	10,458		10,719	
Childcare voucher fee	292		424	
Staff training	-		1,070	
Telephone	3,444		5,711	
Post and stationery	692		625	
IT support	25,627		23,589	
Travelling	6,822		31,395	
Webinar software	5,540		6,095	
Office supplies	4,693		3,421	
Recruitment fees	13,200		4,049	
SMP Reclaimed	(18,540)		(13,201)	
Sundry expenses	3,570		3,197	
Training event expenditure	18,004		10,053	
Bookkeeping	12,903		16,625	
Legal fees	5,995		707	
Marketing & websites	6,930		5,683	
Consultancy fees	17,064		28,100	
Auditors' remuneration	3,996		3,450	
Entertainment	61		-	
Bad debts	<u>4,942</u>		<u>14,383</u>	
		<u>671,098</u>		<u>679,757</u>
		68,688		115,888
<b>Finance costs</b>				
Bank charges	4,411		3,515	
Exchange rate variance	<u>15,090</u>		<u>(10,331)</u>	
		<u>19,501</u>		<u>(6,816)</u>
Carried forward		49,187		122,704

This page does not form part of the statutory financial statements

**THE PROJECT FINANCE ASSOCIATION**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	31.12.21	£	31.12.20	£
Brought forward	£	49,187	£	122,704
<b>Depreciation</b>				
Computer equipment		<u>45,399</u>		<u>26,998</u>
<b>NET SURPLUS</b>		<u><u>3,788</u></u>		<u><u>95,706</u></u>

This page does not form part of the statutory financial statements



THE PROJECT FINANCE ASSOCIATION

Company Number: 03592310

Registered office:

The Cursitor

38 Chancery Lane

London

WC2A 1EN

D & J Randles Ltd  
203 Askern Road  
Bentley  
Doncaster  
DN5 0JR

Dear Sirs

**LETTER OF REPRESENTATION - YEAR ENDED 31 DECEMBER 2021**

This representation letter is provided in connection with your audit of the financial statements of The Project Finance Association for the year ended 31 December 2021 or the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of The Project Finance Association as at 31 December 2021 and of the results of its activities for the year then ended in accordance with United Kingdom Generally Accepted Accounting Principles applicable to Small Entities under Section 1a of Financial Reporting Standard 102.

We acknowledge our responsibility for the fair presentation of the financial statements in accordance with United Kingdom Generally Accepted Accounting Principles applicable to Small Entities.

We confirm to the best of our knowledge and belief, the following representations:

- We acknowledge our responsibilities for the design and implementation of internal controls to prevent and detect fraud.
- We have made full disclosure of the results of our assessment of the risks that the financial statements may be materially misstated as a result of fraud (very low).
- There have been no instances of actual or all alleged fraud or other irregularities involving management, employees who have a significant role in internal control or other persons that could have a material effect on the financial statements nor have any instances or allegations of fraud or other irregularities been communicated to us by employees, former employees, regulators or others.
- We have made available to you all books of account and supporting documentation and minutes of General Meetings of Members.
- We confirm the completeness of the information provided regarding the identification of related parties.

- The financial statements are free of material misstatements, including omissions.
- We have made full disclosure to you of all laws and regulations that are applicable to the Company.
- The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of noncompliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- The identity of, and balances and transactions with, related parties have been properly recorded and when appropriate, adequately disclosed in the financial statements.
- We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets.
- We have recorded or disclosed, as appropriate, all liabilities both actual and contingent. We have not provided any guarantees to third parties.
- In our opinion, the company will have sufficient financial resources available to enable it to continue trading for the foreseeable future.
- There have been no events subject to the period end which require further adjustments to, or disclosure, in the financial statements or notes thereto.

On behalf of the Board

..... D BROOKER  
 Director

.....  
 Date

## **THE PROJECT FINANCE ASSOCIATION**

### **CONSIDERATION OF “GOING CONCERN”**

#### **RELATING TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

When the directors approve the accounts, they are required to assess whether or not the company is a “Going Concern”. The default assumption is that the company will be able to continue trading for the “foreseeable future”, which is considered to be 12 months from the date the accounts are approved.

As auditors, we have to consider whether or not this view is correct.

I am setting out below why the Project Finance Association should be considered to be a going concern:

The PFA invoices its members prior to the commencement of the accounting year. This means that the company knows at an early stage what its income will be. By the time the accounts for the year ended 31 December 2021 have been approved, virtually all the membership renewals for the year ended 31 December 2022 have been paid.

This means that at an early stage in the financial year, the PFA knows what its membership income will be for the accounting year and therefore, it is able to plan its expenditure accordingly.

However, since the PFA’s accounts are to be approved in August 2021, a view has to be taken as to the likely level of membership renewals for the year ended 31 December 2023. If these were much reduced for some reason, then this could possibly call into question the ability of the company to keep trading.

Whilst there was a concern that due to the pandemic, the 2022 renewals could have been significantly reduced, this proved not to be the case, with nearly all members renewing. It would therefore be reasonable to assume that if the members renewed their membership for the year ended 31.12.22, they would continue their membership for 2023.

Even if membership income fell, economies could be made to enable the company to remain viable.

### **CONCLUSION**

In my opinion, it would be appropriate for the Directors to conclude that the company is a Going Concern when the accounts are approved.

David Randles FCA  
Senior Statutory Auditor  
11 August 2022