

## **RFI 006**

### **FY20 ACCOUNTS, LEGAL COSTS, ELECTRICITY COSTS**

6 April 2021

Dear Junta Board

**JC\_0038\_210406\_RFI 006**

We have a number of questions concerning the FY20 accounts, the legal costs and the electricity costs in Cabrera:

#### **FY20 ACCOUNTS**

1. The FY20 Accounts were due by the end of March 2021. These accounts should be very simple. Why have they been delayed yet again? When will they be released?
2. Please could you provide us all with scanned copies of all the invoices for 2020 with the accounts so that we can see how our money has been spent.
3. Please could you provide us with a detailed commentary (Treasurer's Report) on where our money has been spent in 2020. We believe that none of the Transformer work has been undertaken. However, the end 2019 fee increase was predicated on this work starting in 2020 so we should now have a surplus in our reserve fund.
4. Please could you provide us with a proper forecast of expenditure (Treasurer's forecast) for 2021 so we can know where our money is planned to be spent this year. This should have been provided before the start of this financial year.

#### **LEGAL COSTS**

We note, with concern, that you are using our Homeowner funds to pay for legal fees to carry out an appeal against a recent Court Judgement which was in the interests of the Homeowners.

We contend that this Appeal is extremely unlikely to succeed as the Court has already come to the same conclusion on two separate occasions. We have the following questions:

5. How much have you spent on the case to date?
6. How much money will the Developers be contributing towards all these costs?
7. What is the basis / content of the appeal given that the 1993 Agreement has been judged twice to be illegal? Please could you provide us all with copies of the legal submissions which have been made using our money.

8. When the Junta Board loses the Appeal, how much money has been set aside to cover the costs of the loss of the Appeal?
9. How much money will the Developers be contributing towards the awarded Court costs when the appeal is lost?

## **ELECTRICITY SUPPLIES**

We know that there are 13 unfortunate Homeowners that have been let down by the Developers and therefore do not have connection to an Endesa supply. Historically, they have been connected to what is termed a 'builders supply' which is allegedly supplied by the Developers in Cabrera.

As such, the Developers have invoiced these Homeowners for electricity usually under the names of companies that were registered on the Junta. (and, oddly enough, sometimes under the names of companies that were not even registered on the Junta).

It has recently emerged that some Homeowners have not been invoiced since August 2019 for electricity and it also seems that they are now deemed to be 'no longer connected to builders supply'. There are a number of questions which we would like to raise regarding the abrupt cessation of invoices to those on a 'Builders electricity Supply':

10. If Homeowners are not connected to Builders Supply and they do not have Endesa connections, where are they obtaining their electricity from?
11. Are any of these Homeowners being supplied directly from the Communal Electricity supply feeding Cabrera? ie. Is the whole Cabrera community potentially covering the cost of the electricity to the 13 unfortunate Homeowners and have they been doing so since August 2019?
12. We note the unusually large increases in the communal electricity costs year on year:

€10,317.65 (2017)

€11,389.09 (2018) [10.4% increase on 2017]

€12,460.62 (2019) [9.4% increase on 2018]

These increases are well above inflation and we do not think that even Endesa would have had the nerve to raise their prices by this amount given the current economic climate. Please could you explain why the costs have increased so much and provide us with copies of the Endesa invoices which under-pin these charges.

13. Have Homeowners on builders supply always been fed off the Communal Supply paid for by all the Homeowners? Or, were they fed from a dedicated, metered supply provided by Endesa to Developers in Cabrera?
14. If a dedicated, metered electricity supply was provided to Developers in Cabrera, please could you provide us with copies of the Endesa invoices to the Developers for the past 28

years. This would help us to perhaps explain why invoices for electricity have been raised to Homeowners by Developers through their companies.

15. If Developers have, instead, made use of the Communal Electricity Supply in Cabrera, please could you detail how the Developers' electricity usage costs were recovered by the Junta Board from the Developers.

16. Please could you provide details as to how the electricity invoices were calculated for those on Builders supply. Were metered connections provided? Was there a standing connection charge?

We place on record that the Junta Board (ie. The body of people that represent us, the members of the Junta) has failed to provide any answers to our questions for 1 ¼ years. Unfortunately, this defensive and obfuscating behaviour is not commensurate with that of a statutory body with legal obligations.

We trust that you will overturn this increasingly negative perception and attempt to restore some integrity to the Junta Board by fully answering all the questions that have been raised.

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