

## RESTATEMENT OF PREVIOUSLY ISSUED AUDITED FINANCIAL STATEMENTS

An error was identified in previously issued audited financial statements for the year ending September 30, 2023. Connecticut FAIR Plan was previously netting within accrued employee benefits an asset pertaining to the pension plan and a liability related to the accrued post-retirement benefit plan. Under statutory accounting, such amounts should not be netted, and any separate asset should be accounted for as a non-admitted asset within members' equity and accumulated deficit.

The impact of this restatement was as follows:

### **STATEMENT OF ADMITTED ASSETS, LIABILITIES AND MEMBERS' EQUITY AND ACCUMULATED DEFICIT**

	As of September 30, 2023	
	As Reported	As Restated
Accrued employee benefits	\$ 136,616	\$ 756,777
Total liabilities	\$ 2,200,794	\$ 2,820,955
Members' equity and accumulated deficit	\$ 1,726,040	\$ 1,105,879

### **STATEMENT OF LOSS AND CHANGES IN MEMBERS' EQUITY AND ACCUMULATED DEFICIT**

	Year ended September 30, 2023	
	As Reported	As Restated
Members' equity and accumulated deficit, beginning of year	\$ (553,826)	\$ (1,216,108)
Pension plan adjustment	\$ --	\$ (90,548)
Post retirement benefit plan adjustment	\$ --	\$ 91,744
Decrease (increase) in nonadmitted assets	\$ (5,586)	\$ (729,739)
Members' equity and accumulated deficit, end of year	\$ 1,726,040	\$ 1,105,879

The restatement had no impact on net loss from operations or cash flow for the year ended September 30, 2023.

Additionally, a prepaid assets amount of \$13,525.00 was not shown as non-admitted assets on the financial statements for 09/30/2023 and should have been. Equity was overstated by \$13,525. No entry needed to be made, but the amount was adjusted for 09/30/2024 financials. This change was also reflected in the operating expenses paid and incurred on the PIPSO template

As part of the audit of the September 30, 2024 financial statements, the adjustments that were applied to restate the September 30, 2023 financial statements were also audited, deemed appropriate and have been properly applied.