

FRIENDS OF LONDIANI IRELAND LIMITED

**REPORTS AND FINANCIAL STATEMENTS
(COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL)**

FOR THE YEAR ENDED 31 DECEMBER 2012

FRIENDS OF LONDIANI IRELAND LIMITED

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FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Maria Kidney - Chairperson
Helen Concannon - Vice Chairperson
John Spillane - Treasurer
Sally O'Neill
Gerard Murphy
Hazel Murphy
Dr. Meabh Ni Bhuinneain
Michael Kelly
Anita Layden
Eva O'Mahony

COMPANY SECRETARY

C.E.O. Martin Ballantyne

COMPANY NUMBER

398094

CHARITY REGISTERED NUMBER

CHY 16505

REGISTERED OFFICE

9 Cois Cuain
Mosestown
Whitegate
Co. Cork

AUDITORS

Deloitte & Touche
Chartered Accountants
and Registered Auditors
No. 6 Lapps Quay
Cork

BANKERS

Permanent TSB
1 Lapps Quay
Cork

SOLICITORS

Charles C. Daly
17 Casement Square
Cobh
Co. Cork

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

The directors present their present herewith their report and the audited financial statements for the year ended 31 December 2012.

Structure, Governance and Management

Governing document

The Company was incorporated on 23 February 2005 and is a Company limited by guarantee not having a share capital. As of 31 December 2012, there were 10 members whose guarantee is limited to €1 each. This guarantee continues for one year after membership ceases.

Appointment of directors

The Board of Friends of Londiani is comprised of 10 Directors and 1 Chief Executive Officer.

The board

The board has a transparent Board Renewal process in place to ensure that board has the desired blend of skills and experience at any given time. New board members are elected by the members of Friends of Londiani at the Annual General Meeting of the Charity.

Board Performance

FOL has a self-evaluation process in place using the Dochas Checklist for Board Self Evaluation. This self-evaluation is undertaken once a year by the board.

Directors' induction and training

New Directors and staff have an induction programme to ensure that collectively they have the necessary knowledge required for proper governance of the charity. Continuous support is provided throughout their term.

Organisation

Board of Directors and Management Team

Friends of Londiani Ireland Limited (FOL) is governed by the Board of Directors. The Board is composed of 10 Non-Executive Directors plus the Chief Executive Officer. The Board meet 6 times a year and has ultimate responsibility for directing the affairs of Friends of Londiani, ensuring it is solvent, well-run and delivering the outcomes for which it has been set up. The Board is responsible for the strategic direction of FOL, safeguards the ethos of FOL and is responsible for the audit and finance of Friends of Londiani including money, insurance and legalities. The Directors have responsibility for, and are aware of the risks associated with the operating activities of FOL. Adequate systems of internal control are in place which aim to ensure compliance with laws and policies, ensure efficient and effective use of resources, safeguard assets and maintain the integrity of financial information produced. Financial information is subject to detailed review at Board level.

In between Board meetings, the day-to-day management of the organisation is delegated to the Management Team. This team consists of the Chief Executive Officer and other staff and volunteers. They meet on a monthly basis and ensure the actions from Board meetings are carried out, organise national events and coordinate the organisation of volunteer projects.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

Focus Groups

Friends of Londiani has five Focus Groups that are run by individuals who volunteer their expertise and time to FOL across a number of key areas - both programme and organisation. They report directly to the Chief Executive Officer.

Staff & Operations

Day to day operations are undertaken by the Chief Executive Officer and the Officer Manager. From time to time 3rd party services are provided to FOL and these are coordinated by the Chief Executive Officer. These include suppliers, auditors and solicitors.

Risk management

The Directors are aware of the risks to which Friends of Londiani is exposed, in particular, to the financial and operational risks and are satisfied that appropriate systems are in place to mitigate exposure to the risks.

FOL has a Risk Management matrix which is reviewed, updated and discussed at every board meeting with any necessary mitigations put in place. The Chairperson and Vice Chairperson review this matrix in advance of all board meetings.

Compliance

Friends of Londiani has a strong ethos of volunteering and values the involvement of volunteers throughout the organisation. FOL has adopted the Comhlámh Code of Conduct for volunteer organisations and completes the Comhlámh Code of Good Practice Self Audit on an annual basis. FOL is a member of Dóchas - the Irish Association of Non-Governmental Development Organisations and subscribes to the principles contained in the Irish Development NGOs Code of Corporate Governance.

Friends of Londiani is a signatory of the Dóchas Code of Conduct on Images and Messages and provides all volunteers with a training on the Code. Friends of Londiani is committed to achieving the standards outlined in the ICTR Statement of Guiding Principles for Fundraising.

Mission

The mission of Friends of Londiani is to work with the people of Londiani and its surrounding villages to develop and complete sustainable community projects to enable and empower the people to achieve an improved quality of life based on their values and become the authors of their own development. The Friends of Londiani will endeavour to achieve these goals in a spirit of co-operation and mutual respect with one another and with the people of the area. This partnership will enable members of Friends of Londiani to further develop skills and a deeper cultural understanding.

Vision

The vision of Friends of Londiani is for the people of the Kipkelion District of Kenya to have an improved quality of life based on Kenyan values. This development will occur through participation in community projects. The projects will be implemented through partnerships based on the local communities self-identified needs in the areas of health, education, water provisions and sanitation.

The importance of cooperation will be evident in the work of the charity and its sustainability will be apparent through the involvement of the communities and their ownership of the projects.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

Programme Areas

These programmes are based on helping to achieve the Millennium Development Goals, implementing the Kenyan Ministry of Health Community Health Strategy and are in line with the Government of Kenya Kipkelion and Londiani Districts plan.

- * The Health Programme includes public and clinical health and involves FOL working closely with the Ministry of Health to ensure consistency with mainstreaming opportunities and the Ministry of Health "Norms & standards for Health Service Delivery" document.
- * The Water Programme looks at the sourcing, quality & security and distribution of water to the District. This includes management, metering & maintenance of the water supply and ensuring access for villages across the District.
- * The Education Programme includes both formal and non-formal education and includes supporting the Kenyan education system and community education.
- * The Development Education Programme is to deepen peoples understanding of global issues and encourage people to act to create a more just and equal world.

PROGRAMME OBJECTIVES 2010 - 2013

FOL's overall strategy aims to enhance the community's ability to improve their basic healthcare in order to improve productivity and thus reduce poverty, hunger, child and maternal deaths as well as improve education performance across all stages of the following 3 objectives:-

Health Programme Objective: To consolidate the existing district & community level health services so that they best meet community needs and to consolidate the "Healthy Village" model in those villages where it has been introduced and to roll-out the "Healthy Village" model to the remaining villages as part of a coordinated approach to community healthcare in Londiani.

Water Programme Objective: To provide potable water to villages from secure sources with well-managed distribution systems consistent with the "Healthy Village" development plan.

Education Programme Objective: To work at each level of Education in Kipkelion so as to ensure that everyone has an opportunity to receive some level of education to help the overall development of the Communities.

Achievements and performance

In 2012 FOL celebrated 10 years of community partnership in Kenya. It was an opportunity to celebrate FOL's achievements to date, and to reflect on the impact of FOL's work.

During 2012 FOL took the time to take what it has learnt, developed and experienced since 2002 and build on this foundation for the next 10 years and beyond. Celebration events were held in Ireland and in Kenya.

FOL is working in partnership with community groups, and government ministries in the Kipkelion and Londiani Districts of North West Kenya.

In September 2012, FOL began working on its next Strategic Plan (2014 -2017). The development of this Plan will enable FOL to clearly set its direction for the next few years, and then seek support and resources to deliver its programs on the ground.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

In 2012, FOL has supported many projects under its three programme areas of Health, Water and Education.

Health

- * The Londiani District Hospital Operating Theatre is now fully operational.
- * FOL provided resources to increase capacity of District Health Management Team (DHMT) within the District
- * Two Essential Obstetric Care & Neonatal courses for healthcare professionals were conducted
- * An annual skills refresher course with 58 participants from the Health Centres across the District took place in April.
- * Maternal & Child Health Courses for Community Health Workers (CHW), and Community Referral Assistants (CRA) were held.
- * 22 Public Health Field Days reaching a total of 16,000 people
- * Distribution of Malaria Nets through Public Health events is ongoing.
- * Pit Latrine Blocks to serve 4 schools were built
- * 46 Lifeskills Peer Education Courses were provided for community groups of men, women and young adults
- * 44 Outreach clinics were organised in partnership with the Ministry of Public Health
- * Link Project with Londiani District Hospital (LDH) and Mayo General Hospital (MGH) has been established
- * FOL ran its second Community First Aid Course November 2012 for 32 community health workers & FOL Kenya staff members
- * In November FOL volunteers assisted the District Health Medical team with dispensing measles vaccines to 587 children under 5.
- * 54 smokeless household stoves were built in Londiani Division and Kipkelion Divisions during 2012.
- * In 2012 trainings were held for 5 Community Units (CU's) where Community Health Workers (CHWs) and one training for Community Health Extension Workers (CHEW) as part of the rollout of the Community Health Strategy.
- * FOL continues to work with 11 Village Health Committees across the District
- * FOL have supported the establishment of income generating projects which are designed to fund the implementation of the community health strategy through establishing healthy homesteads.
- * FOL partnered with the District Health Management Team, the Marafiki women's group and Londiani District Hospital in a maternal health task force project.

Water

- * The Ndubusat gravity fed water scheme has become a model for future water programmes in the District. FOL has assisted with capacity building of the Committee during 2012. This model over time is sustainable, with the community taking full ownership of their water scheme, its operation, expansion and any other challenges that they face.
- * 7 Community Rainwater Collection Tanks Projects were installed
- * Extension of the Nduro Gravity Water System with the protection of 3 water sources and construction of 1 x 100k litres storage tank
- * Water Maintenance Courses were held for the above projects.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

Education

- * 301 Education Bursaries were provided.
- * Teacher Seminars - A teacher's training was held in Social Studies and Christian and Religious Education (CRE) for primary schools in Londiani District in May with 25 participants.
- * Healthy Schools Programme -In 2012, 36 new schools were added bringing to 77 the total number of schools in the programme. There were construction projects in 4 of the schools which provided a total of 10 blocks of pit latrines (2 with washrooms for girls) and 9 water tanks in schools.
- * Girls for Girls Programme - 18 schools were added to the Girls for Girls Programme.
- * Development Education and Advocacy programme in Ireland
- * Alternative Rite of Passage Programme delivered to 41 communities
- * FOL ran 3 business courses in 2012 working with local groups/business on skills including finance, marketing and planning.
- * Support was provided for the 3 Irish and 3 Londiani schools linked through the Worldwide Schools Linking programme and FOL Network.
- * Continued support for the Sustainable Tourism programme with 15 villages to establish this programme. A workshop was held for these villages in November. The workshop was designed to assess progress over the past 12 months on both the healthy village scheme and income generation projects to fund these initiatives. This was followed by a 3 day pilot trek through the villages involved in this project.
- * FOL organised many events and activities for the youth in Kipkelion District this year with particular emphasis on Peace Building in preparation for the 2013 General Elections.
- * A partnership seminar for representatives from 34 community groups was held in October over a 2 day period.
- * FOL Youth Capacity Building Programmes - Several Youth Programme Groups were supported by FOL in 2012.
- * FOL has organised many events and activities for the youth in Kipkelion District this year including sports tournaments, drama workshops, and proposal writing workshops. These events have assisted youths from different tribes and locations mix together and share their experience

Volunteer "Harambee Projects"

- * Dublin Obstetric Visiting Society (DOVS) - In February a team of 12 Doctors and friends from DOVS visited the Districts for 3 days completing tasks in the Health area.
- * In March, 4 volunteers from 4 countries spent 1 week in Londiani running a Girls for Girls training for 22 schools who are in the pilot programme.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

- * In April, 21 volunteers - including teachers and students from Ireland travelled to Kenya as part of the FOL Worldwide Schools Network project FOL completing tasks in the host schools in Kenya.
- * In August, 8 volunteers from Ireland worked on the FOL Harambee project completing tasks in the areas of Health, Water and Education.
- * In November, 7 volunteers worked on the FOL Harambee project completing tasks in the areas of Health, Water and Education.
- * Also in November, 7 medical volunteers worked with the MGH/LDH link project completing training's and medical assistances in LDH.

FOL's 2013 Plans

- * FOL will continue to work on the objectives in its key programme areas of Health, Water and Education.
- * FOL will complete its strategic planning process and shape its future direction.
- * FOL will organise a number of volunteer projects in the last quarter of 2013.
- * FOL will continue its schools network in 2013, and its Development Education programme in Ireland and in Kenya.

Results

The results for the year and the appropriation thereof are set out in the Statement of Financial Activities on page 13.

Review of Friends of Londiani

For the year ended 31 December 2012, voluntary contributions amounting to €213,168 were received. Irish Aid Funding amount of €177,972 was released to income in respect of co-funding for water and health projects.

FOL was very active during the financial year ended 31 December 2012. Ongoing project expenditure amounted to €311,988, Harambee expenditure amounted to €33,905 and general expenditure amounted to €71,792.

FOL Reserves Policy

FOL has determined the following reasons for Reserves:

- * Education Reserve - FOL supports education bursaries in the District, and so will endeavour to support a student throughout his/her complete schooling, hence the need to reserve some funds for continuing students. Due to the current fundraising climate in 2013 this reserve has been discontinued.
- * Emergency Reserve - This reserve is for the risk of an unforeseen emergency. In 2013 this will be €5,000.
- * Operational Reserve -is the amount of money needed to keep the organisation going for an agreed period of time. FOL has a reserve of 3 months operational costs for 2013 which is €20,000
- * Grant money received, but not spent in the current year - Grant money is rarely received and spent in its entirety within the current financial year, and so unspent grant money will be held in reserve until the following year - for example Irish Aid money. For 2013 this will be €15,000.

FRIENDS OF LONDIANI IRELAND LIMITED

DIRECTORS' REPORT

Directors

The present membership of the Board is set out on page 2. Shea Fahy, Deirdre Henley and Joe Willis ceased to be director's during the year. Sally O'Neill, Michael Kelly, Anita Layden and Eva O'Mahony were appointed to the board during the year. All other directors served throughout the

Books and Records

To ensure proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's registered office.

Auditor

The auditor, Deloitte & Touche, Chartered Accountants and Registered Auditors, continues in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board

Hazel Murphy

Maria Kidney

18/07/13

)
) Directors
)

FRIENDS OF LONDIANI IRELAND LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish Statute comprising the Companies Acts 1963 to 2012. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRIENDS OF LONDIANI, IRELAND

We have audited the financial statements of Friends of Londiani Ireland Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the reports to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatement's or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- * give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the affairs of the company as at 31 December 2012 and of the deficit for the year then ended; and
- * have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

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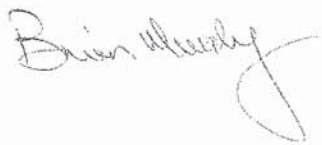
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FRIENDS OF LONDIANI, IRELAND**

Matters on which we are required to report by the Companies Acts 1963 to 2012

- * We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- * In our opinion proper books of account have been kept by the company.
- * The financial statements are in agreement with the books of account.
- * In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2012 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Brian Murphy
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Cork

Date: 31 July 2013

FRIENDS OF LONDIANI IRELAND LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Incorporating the income and expenditure account)

	Notes	2012 Restricted €	2012 Unrestricted €	2012 Total €	2011 Total €
Total gross domestically generated voluntary income					
Fundraising events		3,334	63,639	66,973	135,250
Donations		67,960	44,382	112,342	108,049
Bank interest receivable	5	-	3,034	3,034	6,483
		<u>71,294</u>	<u>111,055</u>	<u>182,349</u>	<u>249,782</u>
Other income					
Harambee income		33,853	-	33,853	91,108
Income from Irish Aid	2	177,972	-	177,972	166,094
Total income		<u>283,119</u>	<u>111,055</u>	<u>394,174</u>	<u>506,984</u>
Expenditure					
Ongoing projects		249,214	62,774	311,988	366,846
Harambee costs		33,905	-	33,905	91,684
Fundraising costs		-	49,790	49,790	38,837
General administration costs			22,002	22,002	29,508
		<u>283,119</u>	<u>134,566</u>	<u>417,685</u>	<u>526,875</u>
Net deficit in funds during the year		<u>-</u>	<u>(23,511)</u>	<u>(23,511)</u>	<u>(19,891)</u>

There are no recognised gains or losses other than the deficit for the financial year as disclosed in the statement of financial activities.

The financial statements were approved by the Board of Directors on 18/07/13 and signed on its behalf by:

Hazel Murphy)
Maria Kidney)

Directors

FRIENDS OF LONDIANI IRELAND LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Notes	2012 €	2011 €
Current assets			
Stocks	6	-	2,496
Debtors and prepayments	7	1,247	8,437
Cash at bank and in hand		176,424	170,201
Designated bank funds		3,402	10,234
		<u>181,073</u>	<u>191,368</u>
Creditors (amounts falling due within one year)			
	8	<u>(25,797)</u>	<u>(12,581)</u>
Net current assets		<u>155,276</u>	<u>178,787</u>
Funds			
Unrestricted funds	10	130,276	158,787
Restricted funds	11	25,000	20,000
		<u>155,276</u>	<u>178,787</u>

The financial statements were approved by the Board of Directors on 18/07/13 and signed on its behalf by

Hazel Murphy

Maria Kidney

)
)
)Directors
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)

FRIENDS OF LONDIANI IRELAND LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 €	2011 €
Net cash outflow from operating activities	A	(610)	(212,728)
		<hr/>	<hr/>
Net cash outflow before management of liquid resources and financing	B	(610)	(212,728)
		<hr/>	<hr/>
Decrease in cash in the year	C	<u>(610)</u>	<u>(212,728)</u>

FRIENDS OF LONDIANI IRELAND LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

**A RECONCILIATION OF OPERATING DEFICIT TO
NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2012	2011
	€	€
Net deficit in funds during the year	(23,511)	(19,891)
Decrease in stock	2,496	348
Decrease in debtors	7,190	730
Increase/(decrease) in creditors	13,216	(193,915)
Net cash outflow from operating activities	<u>(609)</u>	<u>(212,728)</u>

B ANALYSIS OF CHANGES IN NET FUNDS

	01/01/12	Cash flow	Other non- cash changes	31/12/12
	€	€	€	€
Net cash:				
Cash at bank and in hand	170,201	6,222	-	176,423
Designated bank funds	10,234	(6,832)	-	3,402
	<u>180,435</u>	<u>(610)</u>	<u>-</u>	<u>179,825</u>
Bank deposits	-	-	-	-
Net funds	<u>180,435</u>	<u>(610)</u>	<u>-</u>	<u>179,825</u>

C RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2012	2011
	€	€
Decrease in cash in the year	(610)	(212,728)
Movement in net funds in the year	(610)	(212,728)
Opening net funds	180,435	393,163
Net funds at end of year	<u>179,825</u>	<u>180,435</u>

FRIENDS OF LONDIANI IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by the company are as follows:

BASIS OF PREPARATION

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities (SORP 2005) issued in March 2005, accounting standards generally accepted in Ireland and with the Companies Acts, 1963 to 2012. There has been no change to the accounting policies during the year.

INCOME

Donations and fundraising income are credited to the Statement of Financial Activities on receipt.

Income from various bodies including Irish Aid are recognised as income in the period in which the corresponding expenditure is recognised. Receipts from these bodies that were unspent at the balance sheet date have been included in deferred income.

FOREIGN CURRENCIES

Transactions denominated in foreign currencies relating to revenues, costs and non-monetary assets are translated to Euro at the rates of exchange ruling on the dates on which the transactions occurred.

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. The resulting profits or losses are dealt with in the revenue account.

STOCKS

Stocks are valued at lower of cost and net realisable value.

FRIENDS OF LONDIANI IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

2. INCOME FROM IRISH AID

Irish Aid provide support to Friends of Londiani under the Civil Society Fund CSF. It supports the Company's projects in water, health and HIV/AIDS. An amount of €176,000 has been recognised as income as at 31 December 2012. An amount of €15,000 was unspent as at 31 December 2012 and has been included in deferred income. The Worldwide funding is to support the FOL Schools network in Ireland and Kenya.

Summary of Irish Aid Funding

	Deferred 01/01/12 €	Received €	Income and Expenditure €	Deferred 31/12/12 €
Worldwise Network Programme	972	-	972	-
Health projects	-	192,000	177,000	15,000
	<u>972</u>	<u>192,000</u>	<u>177,972</u>	<u>15,000</u>

3. EMPLOYEES AND REMUNERATION

The staff costs are comprised of :-

	2012 €	2011 €
Wages and salaries	70,200	62,800
Social welfare costs	6,882	6,569
	<u>77,082</u>	<u>69,369</u>

The average numbers of persons employed by the company (including the Chief Executive Officer) during the year were:

	2012 Number	2011 Number
Number of employees		
Administration and fundraising	<u>2</u>	<u>2</u>

4. DEFICIT FOR THE YEAR

	2012 €	2011 €
The deficit for the year is arrived at after charging:		
Chief Executive Officer's remuneration	<u>60,000</u>	<u>60,000</u>

FRIENDS OF LONDIANI IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

5.	INTEREST RECEIVABLE	2012	2011
		€	€
	Bank interest	3,034	6,483
		<u>3,034</u>	<u>6,483</u>
6.	STOCKS	2012	2011
		€	€
	Stock of cards and calendars	-	2,496
		<u>-</u>	<u>2,496</u>
	The basis by which stocks are valued are shown in Note 1.		
	The replacement cost of stocks did not differ significantly from the figures shown above.		
7.	DEBTORS	2012	2011
		€	€
	Amounts falling due within one year:-		
	Prepayments	1,247	8,437
		<u>1,247</u>	<u>8,437</u>
8.	CREDITORS (Amounts falling due within one year)	2012	2011
		€	€
	Other taxes and social security costs	7,047	7,002
	Deferred income- Irish Aid Funding	15,000	972
	Accruals	3,750	4,607
		<u>25,797</u>	<u>12,581</u>
	Other taxes and social security costs	2012	2011
		€	€
	PAYE/PRSI payable	7,047	7,002
		<u>7,047</u>	<u>7,002</u>
9.	MEMBERSHIP		

The Company is limited by guarantee and does not have a share capital. It is guaranteed by members to the extent €1 per member.

FRIENDS OF LONDIANI IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10. UNRESTRICTED FUNDS	2012	2011
	€	€
Unrestricted funds brought forward	158,787	178,678
Net deficit in funds during the year	(23,511)	(19,891)
	135,276	158,787
Unrestricted funds before transfers	135,276	158,787
Transfers from restricted funds	15,000	-
Transfers to restricted funds	(20,000)	-
	130,276	158,787
Unrestricted funds carried forward		
11. RESTRICTED FUNDS		
Educational fund	2012	2011
	€	€
Opening balance at 1 January	10,000	10,000
Transfer to unrestricted funds	(10,000)	-
	-	10,000
Closing balance at 31 December		
Incident management reserve	2012	2011
	€	€
Opening balance at 1 January	10,000	10,000
Transfer to unrestricted funds	(5,000)	-
	5,000	10,000
Closing balance at 31 December		
Operational reserve	2012	2011
	€	€
Opening balance at 1 January	-	-
Transfer from unrestricted funds	20,000	-
	20,000	-
Closing balance at 31 December		
Total restricted funds	25,000	20,000

FRIENDS OF LONDIANI IRELAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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12. TAXATION

The company has agreed charitable status with the Revenue Commissioners, Charity Number CHY 16505, therefore no provision for taxation is necessary.