

Ethiopiaid

Directors' Report and Financial Statements

For the year ended 31st December 2012

Ethiopiaid

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Company Information

Company registration number	343187
Date of incorporation	16th May 2001
Trustees	Alec Reed Derek Beal Oonagh O'Connor Joanna Roberts Valentine Hodges Sinead Wallace Tomasz Borowiecki Alexandra Chapman (Appointed 21 st June 2012) David Murphy (Appointed 1 st August 2013)
Secretary	Oonagh O'Connor
Registered office	47 Dawson Street Dublin 2
Auditors	Whiteside Cullinan Registered Auditors Molesworth House 1 / 2 South Frederick Street Dublin 2
Bankers	Bank of Ireland St. Stephen's Green Dublin 2 HSBC Bank plc Coventry DSC Harry Weston Road Binley West Midlands CV3 2TQ England
Solicitors	Eugene F. Collins 3 Burlington Road Dublin 4

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Trustees' Report

For the year ended 31st December 2012

The trustees present their report and the financial statements for the year ended 31st December 2012.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

Registration and Constitution

Ethiopiaid is a registered charity in the Republic of Ireland (charity number CHY13305), granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997. Ethiopiaid is governed by its Memorandum & Articles of Association dated the 16th May 2001.

Trustees

The trustees who held office during the year are set out on page 3 of the financial statements. Joanna Roberts and Sinead Wallace retired by rotation in 2011 and were reappointed at the AGM on 30th September 2012. The trustees due to retire by rotation are Derek Beal and Oonagh O'Connor.

Alexandra Chapman became a trustee and member on 21st June 2012. David Murphy was appointed a trustee on the 1st August 2013.

2. OBJECTIVES AND ACTIVITIES

Activities

The principal activity of the company is that of a charitable organisation. The company's main source of income is donations from the general public. Amounts raised are used to fund various Ethiopian charitable organisations.

It is not envisaged that there will be any change in the Trust's activities in the coming year.

3. ACHIEVEMENTS AND PERFORMANCE

Ethiopiaid support six partner organisations, primarily working in and around Addis Ababa, Ethiopia's capital, although they are specifically supporting their development outside the capital where relevant.

A breakdown of the support given by Ethiopiaid to their partner projects in 2012, are as follows:

The Addis Ababa Fistula Hospital - (€100,000)

The Hospital is world-renowned for its treatment of women who have suffered terrible injuries during childbirth. They treat nearly 3,000 women each year, many of whom have endured years of incontinence before hearing that a simple operation can cure them completely.

Cheshire Services - (€100,000)

This organisation performs operations on children from all over Ethiopia with severe disabilities. Many children leave the hospital able to walk for the first time ever. Cheshire also has a mobile unit which travels to rural areas around the country providing outreach services.

Hope Enterprises - (€100,000)

Ethiopia's first indigenous Non-Governmental Organisation runs projects with the aim of providing a future for the children of Ethiopia. They have established extremely successful primary and secondary schools, as well as running vocational centres, which have a good record of job placement and even job creation. In 2000, they began a breakfast for street children which was initiated by Ethiopiaid. Currently, 730 street children receive breakfast every day, of which 350 are enrolled in formal education.

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Trustees' Report

For the year ended 31st December 2012

Mother Theresa's Missionaries of Charity - (€100,000)

This is a hospice for the most needy in Addis Ababa. The women who work here make it possible for people to die with dignity and give them shelter in their final days. They also run an orphanage for children and have a special home for children who are HIV positive.

Forum on Street Children (FSCE) - (€5,000)

FSCE provides education, counselling support and justice for poor children around Dire Dawa and Harar. They have been working in the region for over 11 years helping children who have been abused or sexually exploited. Most beneficiaries are orphans or come from one parent families.

Save the Children - (€9,125)

In 2012 Ethiopiaid also gave a one-off donation to Save the Children in response to the emergency drought crisis in Ethiopia. Save the Children's presence and experience in the country enabled a quick response to the crisis and funds raised were used to provide treatment for the effect of malnutrition in areas devastated by the drought.

4. FINANCIAL REVIEW

The results for the year are presented on page 10 in the form of a Statement of Financial Activities in order to comply with the 2005 Statement of Recommended Practice 'Accounting for Charities'.

Incoming Resources

The total income for the year was €523,851 of which €502,251 came from donations and the remaining €21,600 came from deposit interest and tax refunds on donations.

Resources Expended

The Statement of Financial Activities shows the analysis of resources expended between charitable activities and governance costs. Donations to charities amounted to €414,125 (2012: €484,000). Note 6 to the financial statements details these donations.

Financial Position and Reserve Policy

The trusts available resources at the end of the year were €182,027 (2012: €166,037). All of the available resources are unrestricted.

Accounting records

The measures taken by the trustees to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at 47, Dawson Street, Dublin 2

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Trustees' Report
For the year ended 31st December 2012

Auditors

The auditors, Whiteside Cullinan, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

This report was approved by the Board on

and signed on its behalf by:

Alec Reed
Director

Oonagh O'Connor
Director

Ethiopiaid

Statement of Trustees' Responsibilities

The trustees (the trustees are also the directors for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and promulgated by Chartered Accountants Ireland.

Company law requires the trustees 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 profit or loss of the company for that year. In preparing these the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees confirm that they have complied with the above requirements in preparing the financial statements.

The trustees 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 comply with the Companies Acts 1963 to 2012 and all regulations to be construed as one with those Acts.

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.

This statement was approved by the Board on

and signed on its behalf by:

Alec Reed
Director

Oonagh O'Connor
Director

Independent Auditors Report

to the members of

Ethiopiaid

We have audited the financial statements of Ethiopiaid on pages 10 to 16 which comprise the Statement of Financial Activities, the Income and Expenditure account, the Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 13.

This report is made solely to the company's trustees, as a body, in accordance with Section 193 Companies Act 1990. Our audit work has been undertaken so that we might state to the company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities (the trustees are also the directors for the purpose of company law) on page 7 the company's trustees are responsible for the preparation of the financial statements in accordance with applicable law and Accounting Standards issued by the Accounting Standards Board and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts 1963 to 2012. We also report to you whether in our opinion: proper books of account have been kept by the company and whether the information given in the Trustees' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's financial statements are in agreement with the books of account.

We report to the members if, in our opinion, any information specified by law regarding trustees' remuneration and trustees' transactions is not given and, where practicable, include such information in our report.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent Auditors Report

to the members of

Ethiopiaid

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 16 to the financial statements.

Opinion

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 charitable company's affairs as at 31st December 2012 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2012 and all regulations to be construed as one with those Acts.

We have obtained all the information and explanations we consider 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 trustee's report on pages 4 - 6 is consistent with the financial statements.

Section 40(1) of the Companies (Amendment) Act 1983 does not apply as the organisation is limited by guarantee.

Whiteside Cullinan
Registered Auditors
Molesworth House
1/2 South Frederick Street
Dublin 2

Date:

Ethiopiaid

Statement of Financial Activities

for the year ended 31st December 2012

	Notes	Unrestricted Funds €	Restricted Funds €	2012 Total Funds €	2011 Total Funds €
Incoming resources					
Donations - from Irish donors		493,126	9,125	502,251	537,625
Interest receivable	7	1,649	-	1,649	7,902
Income tax repayable	3	19,951	-	19,951	21,605
		<u>514,726</u>	<u>9,125</u>	<u>523,851</u>	<u>567,132</u>
Resources expended					
Costs of generating funds:					
Fundraising and publicity	4	39,736	-	39,736	82,847
Management and administration	5	54,000	-	54,000	44,315
		<u>93,736</u>	<u>-</u>	<u>93,736</u>	<u>127,162</u>
Charitable expenditure	6	405,000	9,125	414,125	484,000
		<u>498,736</u>	<u>9,125</u>	<u>507,861</u>	<u>611,162</u>
Net incoming resources/(resources expended)		15,990	-	15,990	(44,030)
Fund balance brought forward at 1st January 2012		166,037	-	166,037	210,067
Fund balance carried forward at 31st December 2012	14	<u>182,027</u>	<u>-</u>	<u>182,027</u>	<u>166,037</u>

There are no recognised gains and losses other than the (deficit) / surplus for the above two financial periods.

All of the charity's operations are classed as continuing.

The financial statements were approved by the Board on

and signed on its behalf by:

Alec Reed
Director

Oonagh O'Connor
Director

Ethiopiaid

Balance Sheet as at 31st December 2012

	Notes	2012 €	2011 €
Current assets			
Debtors	9	21,031	25,790
Cash at bank and in hand		209,523	189,181
		<u>230,554</u>	<u>214,971</u>
Creditors: amounts falling due within one year	10	(48,527)	(48,934)
Net current assets		<u>182,027</u>	<u>166,037</u>
Net assets		<u>182,027</u>	<u>166,037</u>
Reserves			
Retained surplus	14	182,027	166,037
		<u>182,027</u>	<u>166,037</u>

The financial statements were approved by the Board on

and signed on its behalf by:

Alec Reed
Director

Oonagh O'Connor
Director

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Cash Flow Statement

for the year ended 31st December 2012

	Notes	2012 €	2011 €
Net cash (outflow)/inflow from operating activities	11	20,342	(8,332)
Net cash (outflow)/inflow before financing		<u>20,342</u>	<u>(8,332)</u>
(Decrease)/increase in cash and cash equivalents	12	<u>20,342</u>	<u>(8,332)</u>

Alec Reed
Director

Oonagh O'Connor
Director

Ethiopiaid

Notes to the Financial Statements

For the year ended 31st December 2012

1. Company limited by guarantee

The company is a company limited by guarantee and not having a share capital. In effect the liability of the members to contribute to the assets of the company is limited. Each member undertakes to pay €1 in the event of the company being wound up or within a year of ceasing to be a member. However the guarantee company is a separate person in law and it survives changes in its membership and office holders.

2. Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

2.1. Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

2.2. Income

Income represents the total amount of donations received during the year. Income is treated as being general and unrestricted, unless a donor has specified the manner in which the donation is to be spent, in which case it is treated as restricted income.

The charity can reclaim tax on certain donations and this income tax is credited to the statement of financial activities.

2.3. Taxation

Given the nature of the company's activities, the company has been granted a tax exemption as a charitable organisation. As a result of this no provision is made for taxation in these financial statements.

2.4. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

3. Income tax repayable

	2012	2011
	€	€
Income tax repayable on qualifying donations for the year	19,951	21,605
	<u> </u>	<u> </u>

4. Fundraising and publicity costs

	2012	2011
	€	€
Fundraising costs	38,569	33,661
Advertising	-	45,870
Database processing costs	1,167	3,316
	<u> </u>	<u> </u>
	<u>39,736</u>	<u>82,847</u>

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Notes to the Financial Statements

For the year ended 31st December 2012

5.	Management and administration of the charity costs			2012	2011
				€	€
	Salaries			43,107	36,316
	Audit fees and company secretarial fees			3,710	3,949
	Bank charges			1,438	625
	Foreign exchange			4,501	(208)
	Staff and other expenses			1,244	3,633
				<u>54,000</u>	<u>44,315</u>
6	Direct charitable expenditure			2012	2011
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	General grants:	€	€	€	€
	Fistula Hospital	100,000	-	100,000	100,000
	Hope Enterprises	100,000	-	100,000	100,000
	Cheshire Services Ethiopia	100,000	-	100,000	100,000
	Missionaries of Charity	100,000	-	100,000	100,000
	Forum for Street Children (FSCE)	5,000	-	5,000	12,500
	JeCCDO	-	-	-	37,500
	Save the Children – Emergency Drought Relief	-	9,125	9,125	34,000
		<u>405,000</u>	<u>9,125</u>	<u>414,125</u>	<u>484,000</u>
7.	Interest receivable and other income			2012	2011
				€	€
	Bank interest			1,649	7,902
				<u>1,649</u>	<u>7,902</u>
8.	Employees				
8.1.	Staff costs			2012	2011
				€	€
	Wages and salaries			43,107	36,316
				<u>43,107</u>	<u>36,316</u>
8.2.	Number of employees				
	The average weekly number of employees (including directors) during the year were:			2012	2011
				Number	Number
	Administration			1	1
				<u>1</u>	<u>1</u>

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Notes to the Financial Statements
For the year ended 31st December 2012

9. Debtors	2012	2011
	€	€
Income tax refundable	20,304	21,606
Other debtors	-	-
Deposit interest receivable	727	4,184
	<u>21,031</u>	<u>25,790</u>
	<u><u>21,031</u></u>	<u><u>25,790</u></u>
10. Creditors: amounts falling due within one year	2012	2011
	€	€
Trade creditors and accruals	3,690	10,888
Amount owed to related companies:		
- Reed Personnel Services Limited (Note 13)	43,107	36,316
- Ethiopiaid UK (Note 13)	1,730	1,730
	<u>48,527</u>	<u>48,934</u>
	<u><u>48,527</u></u>	<u><u>48,934</u></u>
11. Reconciliation of operating surplus to net cash (outflow)/inflow from operating activities	2012	2011
	€	€
Operating surplus	15,990	(44,030)
Decrease/ (increase) in debtors	4,759	23,073
(Decrease)/increase in creditors	(407)	12,625
	<u>20,342</u>	<u>(8,332)</u>
Net cash (outflow)/inflow from operating activities	<u><u>20,342</u></u>	<u><u>(8,332)</u></u>
12. Analysis of changes in cash and cash equivalents during the year	2012	2011
	€	€
Balance as at 1st January 2012	189,181	197,513
Net cash (outflow)/inflow	20,342	(8,332)
	<u>209,523</u>	<u>189,181</u>
Balance as at 31st December 2012	<u><u>209,523</u></u>	<u><u>189,181</u></u>

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Notes to the Financial Statements
For the year ended 31st December 2012

13. Related party disclosures

The following are details, which disclose the related party transactions during the year:

Reed Personnel Services Limited and Reed Foundation:

Reed Personnel Services Limited and Reed Foundation are related to the company by virtue of the fact that they share several directors, thereby participating in the operation of the charity.

Donations

Reed Personnel Services Limited, a company registered in Ireland, donated office space to Ethiopiaid.

Expenses

Reed Personnel Services Limited pays one employee on behalf of Ethiopiaid. The cost of this employee including taxes is €43,107 (2012: €36,316).

Ethiopiaid:

Ethiopiaid, a company registered in Ireland, from here on referred to as Ethiopiaid Ireland and Ethiopiaid, a company registered in United Kingdom, from here on referred to as Ethiopiaid UK.

Ethiopiaid UK is related to Ethiopiaid Ireland by virtue of Alec Reed being a common trustee for both charities.

Expenses:

Ethiopiaid UK is due an amount in the sum of €1,730 (2011: €1,730) from Ethiopiaid Ireland at the 31st December 2012.

14. Reserves

	2012	2011
	€	€
At 1st January 2012	166,037	210,067
Retained (deficit)/surplus for the year	15,990	(44,030)
At 31st December 2012	182,027	166,037

15. Other services provided by the auditors

In common with many other businesses of our size and nature, we use our auditors to prepare and submit returns to the companies registration office and assist with the preparation of the financial statements.

16. Approval of financial statements

The financial statements were approved and authorised for issue by the board on