

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

Directors' Report and Financial Statements

for the year ended 31 December 2013

Friends of Albania Limited
(A company limited by guarantee, not having a share capital)
CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 - 7
Income and Expenditure Account	8
Balance Sheet	9
Cash Flow Statement	10
Accounting Policies	11
Notes to the Financial Statements	12 - 16
Supplementary Information on Trading Statement	18 - 20

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

DIRECTORS AND OTHER INFORMATION

Directors	Moya McCann Samir Beganji Jack McCann Maeve Joyce Geraldine McNulty Marguerite O'Neill (Resigned 20 February 2013) Kevin Clarkson John Bates Elaine Conmy Anthony Finnerty Keith Finnegan (Resigned 20 February 2013)
Company Secretary	Moya McCann
Company Number	398852
Registered Office and Business Address	15 University Road, Galway.
Auditors	Mazars Chartered Accountants and Registered Auditor's Mazars Place, Salthill, Galway.
Bankers	Bank of Ireland Mainguard Street, Galway
Solicitors	Dillon Leetch & Comerford 3 Montpelier Terrace, Sea Road, Galway.

Friends of Albania Limited
(A company limited by guarantee, not having a share capital)
DIRECTORS' REPORT
for the year ended 31 December 2013

The directors present their report and the audited financial statements for the year ended 31 December 2013.

Principal Activity and Review of the Business

The principal activity of the company is to support patients and medical personnel in Albania and Kosovo. The company also renovates state owned care homes in Albania. This is done by Irish volunteer medical teams who train, teach and work in Albania. It is also achieved by international training for Albanian personnel.

The Company is limited by guarantee not having a share capital.

There has been no significant change in these activities during the year ended 31 December 2013.

Principal Risks and Uncertainties

The main risk facing the company is the uncertain economic climate within which it currently operates. Income from donations and fundraising cannot be accurately predicted. This has a direct impact on the level of funding attainable by the company.

Financial Results

The deficit for the year after providing for depreciation amounted to €(28,640) (2012 - €(60,809)).

Directors

The current directors are as set out on page 3.

The company is limited by guarantee and does not have any share capital. Therefore the directors and secretary who served during the year did not have any beneficial interest in the company.

Future Developments

There is no plan to substantially amend the activities of the company.

Post Balance Sheet Events

There have been no significant events affecting the company since the year-end.

Auditors

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

Books of Account

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The books of account are maintained at the company's office at 15 University Road, Galway.

Signed on behalf of the board

Moya McCann
Director

Date:

Samir Beganji
Director

Date:

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2013

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland.

Irish company law requires the directors to prepare financial statements giving a true and fair view of the state of affairs of the company and the surplus or deficit of the company for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland and Irish law).

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 proper books of account that 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 Acts 1963 to 1983 and 1990 to 2013. 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.

Signed on behalf of the board

Moya McCann
Director

Date:

Samir Beganji
Director

Date:

INDEPENDENT AUDITOR'S REPORT to the Members of Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

We have audited the financial statements of Friends of Albania Limited for the year ended 31 December 2013 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Accounting Policies and the related notes. 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 Chartered Accountants 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 auditor's 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 and for being satisfied that they give 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 Practice Board'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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements 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 company's affairs as at 31 December 2013 and of its results for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 1983 and 1990 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 1983 and 1990 to 2013

- We have obtained all the information and explanations which 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 Directors' Report is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT
to the Members of Friends of Albania Limited
(A company limited by guarantee, not having a share capital)

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 1983 and 1990 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Dermot Nolan
for and on behalf of
MAZARS

Chartered Accountants and Registered Auditor's
Mazars Place,
Salthill,
Galway.

Date:

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2013

	Notes	2013 €	2012 €
Income	2	36,916	76,803
Expenditure		(66,892)	(139,877)
Deficit on ordinary activities before interest		(29,976)	(63,074)
Interest receivable and similar income	5	1,336	2,265
Deficit on ordinary activities before tax		(28,640)	(60,809)
Tax on deficit on ordinary activities	7	-	-
Deficit on ordinary activities after taxation		(28,640)	(60,809)
Deficit for the year	14	(28,640)	(60,809)

The company has no recognised gains or losses other than the results for the year. The results for the year have been calculated on the historical cost basis. The company's income and expenses all relate to continuing operations.

Approved by the board on Date: and signed on its behalf by

Moya McCann
Director

Samir Beganji
Director

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

BALANCE SHEET

as at 31 December 2013

		2013	2012
	Notes	€	€
Fixed Assets			
Tangible assets	8	390	520
Current Assets			
Debtors	9	729	53,859
Cash at bank and in hand		76,250	56,250
		76,979	110,109
Creditors: Amounts falling due within one year	10	(2,451)	(7,071)
Net Current Assets		74,528	103,038
Total Assets less Current Liabilities		74,918	103,558
Government grants	12	(32,817)	(32,817)
Net Assets		42,101	70,741
Reserves			
Income and expenditure account	14	42,101	70,741
Members' Funds	15	42,101	70,741

Approved by the board on Date: and signed on its behalf by

Moya McCann
Director

Samir Beganji
Director

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

CASH FLOW STATEMENT

for the year ended 31 December 2013

	Notes	2013 €	2012 €
Net cash inflow from operating activities	20	18,664	(56,163)
Returns on investments and servicing of finance	20	1,336	2,265
Capital expenditure and Government grants	20	-	3,379
Movement in cash in the year		20,000	(50,519)
Reconciliation of net cash flow to movement in net funds (Note 20)			
Movement in cash in the year		20,000	(50,519)
Net funds at 1 January 2013		56,250	106,769
Net funds at 31 December 2013		76,250	56,250

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

ACCOUNTING POLICIES

for the year ended 31 December 2013

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Acts, 1963 to 1983 and 1990 to 2013. They comply with the financial reporting standards of the Financial Reporting Council, as promulgated by Chartered Accountants Ireland. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Income

Income represents charitable income receivable during the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment - 20% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable income for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Government grants

Capital grants received and receivable are treated as deferred income and amortised to the income and expenditure account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the income and expenditure account when received.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions, during the year, which are denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. The resulting exchange differences are dealt with in the income and expenditure account.

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

1. GOING CONCERN

The deficit for the year ended 31 December 2013 amounted to €28,640 (2012: €60,809), and, at the balance sheet date the members' funds amounted to €42,101 (2012: €70,741). The financial statements have been prepared on a going concern basis, the validity of which depends on the availability of future sufficient funding. The directors plan to focus specifically on training activities with an annual fundraising budget of approximately €20,000 per year. The directors are confident this level of fundraising is achievable on a consistent basis, thus ensuring the continued operation of the company for the foreseeable future and for at least a period of 12 months from the date of approval of these financial statements.

2. INCOME

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of fundraising to support patients and medical personnel in Albania and Kosovo.

3. OPERATING DEFICIT	2013	2012
	€	€
Operating deficit is stated after charging/(crediting):		
Depreciation of tangible assets	130	130

4. GOVERNMENT GRANTS

In October 2010 the company applied and were approved for funding from Irish Aid. The funding was approved for 3 years. The first allotment of monies was received in November 2010. The second allotment of grant aid under this agreement was received in May 2012. The third and final allotment of monies was received in May 2013.

The funding from Irish Aid was allocated towards the following expenditure incurred in 2013 (the balance of the funding has been deferred to cover costs in 2014):

	2013	2012
	€	€
2013 trips to Albania	-	11,446
Albanian administration expenses	-	3,047
Albanian wages	-	3,250
Training	-	15,331
Irish office	-	4,900
Irish wages	-	11,637
	<u>-</u>	<u>49,611</u>

In 2013, grant funded activities were postponed, and there were no volunteer visits to Albania or Irish/UK placements for Albanian personnel. In early 2014, the company applied to Irish Aid for amendment to the grant funded activities in order that funding may be re-deployed for the purposes of setting up a microsurgery laboratory in Albania. The re-deployment of funding was approved by Irish Aid, and the amended project was completed in the summer of 2014. Therefore, the above grant income has been deferred to 2014.

5. INTEREST RECEIVABLE AND SIMILAR INCOME	2013	2012
	€	€
Bank interest	1,336	2,265

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

continued

6. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

	2013 Number	2012 Number
Administration	1	1

The staff costs comprise:

	2013 €	2012 €
Wages and salaries	17,137	20,954
Social welfare costs	1,878	2,199
	<u>19,015</u>	<u>23,153</u>

7. TAX ON DEFICIT ON ORDINARY ACTIVITIES

	2013 €	2012 €
--	-----------	-----------

Analysis of charge in the year

Current tax:

Corporation tax	-	-
-----------------	---	---

The company is registered with the Revenue Commissioners as a charity within the meaning of Section 76 and 78 of the Taxes Consolidation Act, 1997. This registration exempts the company from any liability to corporation tax on surpluses arising from ordinary activities.

8. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment €	Total €
Cost		
At 31 December 2013	3,209	3,209
Depreciation		
At 1 January 2013	2,689	2,689
Charge for the year	130	130
At 31 December 2013	2,819	2,819
Net book value		
At 31 December 2013	<u>390</u>	<u>390</u>
At 31 December 2012	<u>520</u>	<u>520</u>

9. DEBTORS

	2013 €	2012 €
Trade debtors	-	53,640
Other debtors	-	219
Taxation (Note 11)	729	-
	<u>729</u>	<u>53,859</u>

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2013

10. CREDITORS	2013	2012
Amounts falling due within one year	€	€
Trade creditors	-	6,781
Taxation (Note 11)	-	290
Other creditors	2,451	-
	2,451	7,071
11. TAXATION	2013	2012
	€	€
Debtors:		
PAYE	729	-
Creditors:		
PAYE	-	290
12. GOVERNMENT GRANTS DEFERRED	2013	2012
	€	€
Capital grants received and receivable		
At 1 January 2013	32,817	28,788
Increase in year	-	53,640
At 31 December 2013	32,817	82,428
Amortisation		
Amortised in year	-	(49,611)
Net book value		
At 31 December 2013	32,817	32,817
13. STATUS		
The liability of the members is limited.		
Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding € 2.		
14. INCOME AND EXPENDITURE ACCOUNT	2013	2012
	€	€
At 1 January 2013	70,741	131,550
Deficit for the year	(28,640)	(60,809)
At 31 December 2013	42,101	70,741

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

continued

15. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS	2013	2012	
	€	€	
Deficit for the year	(28,640)	(60,809)	
Opening members' funds	70,741	131,550	
Closing members' funds	42,101	70,741	
16. CAPITAL COMMITMENTS			
The company had no material capital commitments at 31st December 2013.			
17. RELATED PARTY TRANSACTIONS			
A director, Jack McCann, received €6,000 (2012: €6,000) in respect of rental of office space during the year.			
18. CONTROLLING INTEREST			
The controlling interest of the company is the board of directors.			
19. POST-BALANCE SHEET EVENTS			
There have been no significant events affecting the company since the year-end.			
20. CASH FLOW STATEMENT			
20.1 RECONCILIATION OF OPERATING DEFICIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2013	2012	
	€	€	
Operating deficit	(29,976)	(63,074)	
Depreciation	130	130	
Movement in debtors	53,859	1,221	
Movement in creditors	(5,349)	5,560	
Net cash inflow from operating activities	18,664	(56,163)	
20.2 CASH FLOW STATEMENT	2013	2012	
	€	€	
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	1,336	2,265	
CAPITAL EXPENDITURE AND GOVERNMENT GRANTS			
Payments to acquire tangible assets	-	(650)	
Government grants received	-	53,640	
Government grants released to profit and loss	-	(49,611)	
	-	3,379	
20.3 ANALYSIS OF CHANGES IN NET FUNDS			
	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	56,250	20,000	76,250
Net funds	56,250	20,000	76,250

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2013

21. APPROVAL OF FINANCIAL STATEMENTS

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

FRIENDS OF ALBANIA LIMITED
(A company limited by guarantee, not having a share capital)

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

NOT COVERED BY THE REPORT OF THE AUDITORS

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

TRADING STATEMENT

for the year ended 31 December 2013

	Schedule	2013 €	2012 €
Income		36,916	76,803
Overhead expenses	1	(66,892)	(139,877)
		<u>(29,976)</u>	<u>(63,074)</u>
Miscellaneous income	2	1,336	2,265
Net deficit		<u><u>(28,640)</u></u>	<u><u>(60,809)</u></u>

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

SCHEDULE 1 : OVERHEAD EXPENSES

for the year ended 31 December 2013

	2013	2012
	€	€
Administration Expenses		
Wages and salaries	17,137	20,954
Social welfare costs	1,878	2,199
Fundraising expenses	5,520	5,900
Rent payable	6,000	6,000
Printing, postage and stationery	266	719
Telephone	1,091	1,771
Plastics equipment	-	1,838
Charity equipment	(430)	16,355
Patient expenses	7,777	1,345
Tirana expenses	9,826	11,638
Childrens home solar project	17,091	18,327
Team working visits to Albania	350	49,038
Legal and professional	-	600
Bank charges	256	498
General expenses	-	2,565
Depreciation of tangible assets	130	130
	<u>66,892</u>	<u>139,877</u>

Friends of Albania Limited

(A company limited by guarantee, not having a share capital)

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS**SCHEDULE 2 : MISCELLANEOUS INCOME**

for the year ended 31 December 2013

	2013	2012
	€	€
Miscellaneous Income		
Bank Interest	<u>1,336</u>	<u>2,265</u>