

Twinning The Kingdoms Ltd.
Directors' Report and Financial Statements
for the year ended 31 December 2008

*Martin Moore & Co.,
Certified Public Accountants,
11 Main St.,
Blennerville,
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Twinning The Kingdoms Ltd.

Company information

| | |
|--------------------------|---|
| Directors | Paul Hanrahan David Slattery Robert Carey Colleen O' Kane |
| Secretary | Elizabeth Anne Kiely |
| Company number | 441748 |
| Registered office | 32 The Mall, Tralee, Co. Kerry |
| Auditors | Martin Moore & Co., 11 Main St., Blennerville, Tralee, Co. Kerry. |
| Bankers | Bank of Ireland, Castle St., Tralee, Co. Kerry. |

Twinning The Kingdoms Ltd.

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Twinning The Kingdoms Ltd.

Directors' report for the year ended 31 December 2008

The directors present their report and the financial statements for the year ended 31 December 2008.

Principal activity and business review

The principal activity of the company is the provision of aid to Lesotho.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

Directors and their interests in Shares of the Company

The directors who served during the year and their interests in the company are as stated below:

| | Ordinary shares | |
|-----------------|------------------------|-----------------|
| | 31/12/08 | 01/01/08 |
| Paul Hanrahan | - | - |
| David Slattery | - | - |
| Robert Carey | - | - |
| Colleen O' Kane | - | - |

All Directors serve in a voluntary capacity and are not remunerated. No shares are held by the Directors

Safety, Health and Welfare at Work Act 1989

The well being of the company's employees is safeguarded through the strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act 1989 imposes certain requirements on employers and the company has taken the necessary action to ensure compliance with the Act, including the adoption of a safety statement.

Accounting records

The Directors acknowledge their responsibility under Section 202 of the Companies Act 1990 to keep proper books and records for the company. To this end, we employ a part-time book-keeper. Our books and records are kept at our registered office.

Directors' responsibilities

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 profit or loss of the company for that year. In preparing these 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.

Twinning The Kingdoms Ltd.

**Directors' report
for the year ended 31 December 2008**

..... continued

The directors are responsible for keeping proper accounting records 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 2003. 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.

Auditors

The auditors, Martin Moore & Co.,, 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 30 March 2009 and signed on its behalf by

Director

Director

Twinning The Kingdoms Ltd.

**Independent auditors' report to the members of
Twinning The Kingdoms Ltd.**

We have audited the financial statements of Twinning The Kingdoms Ltd. for the year ended 31 December 2008 which comprise the Income and Expenditure account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and Irish Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and Auditing Standards promulgated by the Auditing Practices Board in Ireland and the United Kingdom.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts 1963 to 2003. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an Extraordinary General Meeting of the company; and whether the information given in the Directors' 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 balance sheet and its income and expenditure account are in agreement with the books of account and returns.

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

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 directors in the preparation of the financial statements, and of 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.

Twinning The Kingdoms Ltd.

Independent auditors' report to the members of Twinning The Kingdoms Ltd. continued

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2003.

We have obtained all the information and explanations that 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.

The net assets of the company, as stated in the balance sheet, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31 December 2008 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.



Martin Moore & Co.,

30 March 2009

**11 Main St.,
Blennerville,
Tralee,
Co. Kerry.**

Twinning The Kingdoms Ltd.

**Income & Expenditure Account
for the year ended 31 December 2008**

| | | Continuing operations | |
|---|--------------|------------------------------|-------------|
| | | 2008 | 2007 |
| | Notes | € | € |
| Income | 2 | 94,356 | 47,184 |
| Administrative expenses | | (102,951) | (37,235) |
| Surplus on ordinary activities before taxation | | (8,595) | 9,949 |
| Tax on Surplus on ordinary activities | | - | - |
| Surplus on ordinary activities after taxation | | (8,595) | 9,949 |
| Retained surplus for the year | | (8,595) | 9,949 |
| Retained profit brought forward | | 9,949 | - |
| Retained Surplus carried forward | | 1,354 | 9,949 |

There are no recognised gains or losses other than the surplus or deficiency for the above two financial years.

On behalf of the board

Director

Director

The notes on pages 7 to 8 form an integral part of these financial statements.

Twinning The Kingdoms Ltd.

**Balance sheet
as at 31 December 2008**

| | Notes | 2008 | | 2007 | |
|---|-------|--------------|--------------|---------------|--------------|
| | | € | € | € | € |
| Current assets | | | | | |
| Cash at bank and in hand | | 2,504 | | 10,549 | |
| | | <u>2,504</u> | | <u>10,549</u> | |
| Creditors: amounts falling due within one year | 4 | (1,150) | | (600) | |
| Net current assets | | | 1,354 | | 9,949 |
| Net assets | | | <u>1,354</u> | | <u>9,949</u> |
| Capital and reserves | | | | | |
| Income & Expenditure account | | | 1,354 | | 9,949 |
| Company Funds | 5 | | <u>1,354</u> | | <u>9,949</u> |

On behalf of the board

Director

Director

Twinning The Kingdoms Ltd.

**Notes to the financial statements
for the year ended 31 December 2008**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total income received by the company in this Financial Year.

2. Turnover

| | 2008 | 2007 |
|----------------------------|-------------------|-------------------|
| | € | € |
| Fundraising & Other Income | 94,356 | 47,184 |
| | <u> </u> | <u> </u> |

3. Operating Surplus

| | 2008 | 2007 |
|------------------------|-------------------|-------------------|
| | € | € |
| Auditors' remuneration | 550 | 600 |
| | <u> </u> | <u> </u> |

4. Creditors: amounts falling due within one year

| | 2008 | 2007 |
|------------------------------|-------------------|-------------------|
| | € | € |
| Accruals and deferred income | 1,150 | 600 |
| | <u> </u> | <u> </u> |

5. Reconciliation of movements in company funds

| | 2008 | 2007 |
|-----------------------|-------------------|-------------------|
| | € | € |
| Surplus for the year | (8,595) | 9,949 |
| Opening company funds | 9,949 | - |
| | <u> </u> | <u> </u> |
| Closing company funds | 1,354 | 9,949 |
| | <u> </u> | <u> </u> |

Twinning The Kingdoms Ltd.

**Notes to the financial statements
for the year ended 31 December 2008**

..... continued

6. Approval of financial statements

The financial statements were approved by the Board on 30 March 2009 and signed on its behalf by

Director

Director

Twinning The Kingdoms Ltd.

**Detailed Income and Expenditure Account
for the year ended 31 December 2008**

| | 2008 | | 2007 | |
|---------------------------------------|--------|---------|--------|--------|
| | € | € | € | € |
| Income | | | | |
| Bookshop Income | | 36,833 | | 16,495 |
| Support A Village | | 2,757 | | 16,363 |
| Calendar Income | | 2,610 | | 6,710 |
| Eurovision Income | | 2,560 | | 4,261 |
| Donations | | 2,055 | | 1,355 |
| Accomodation - Lesotho | | - | | 1,000 |
| Bantry FOL Donation | | 3,686 | | 1,000 |
| St. Monica's Building | | 27,945 | | - |
| Kerry County Council | | 5,000 | | - |
| Waterville Income | | 10,910 | | - |
| | | 94,356 | | 47,184 |
| Administrative expenses | | | | |
| Direct Aid | 83,133 | | 28,285 | |
| Rent payable | 10,859 | | - | |
| Insurance | 1,000 | | - | |
| Light and heat | 1,659 | | - | |
| Repairs and maintenance | 909 | | - | |
| Bookshop costs | - | | 1,601 | |
| Calendar, postage and stationery | 2,849 | | 4,349 | |
| Eurovision Costs | 800 | | 1,500 | |
| Telephone | 311 | | - | |
| Computer costs | 85 | | 85 | |
| Motor expenses | 165 | | 300 | |
| Legal and professional | - | | 256 | |
| Audit | 550 | | 600 | |
| Bank charges | 631 | | 244 | |
| Subscriptions | - | | 15 | |
| | | 102,951 | | 37,235 |
| Operating (Deficiency)/Surplus | 9% | (8,595) | 21% | 9,949 |