

REPORT AND FINANCIAL STATEMENTS

TWINNING THE KINGDOMS LTD

T/A ACTION LESOTHO

32 THE MALL

TRALEE

CO. KERRY

(A company limited by Guarantee not having a Share Capital)

FOR THE YEAR ENDED 31/12/11

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

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ATTACHMENT

APPENDIX 1 - Action Lesotho Financial Statements Year Ended 31/12/2011

**TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO**

(A company limited by Guarantee not having a Share Capital)

COMPANY INFORMATION

BOARD OF DIRECTORS

PAUL HANRAHAN
CLARE HEARDMAN
COLLEEN O'KANE
RITA KELLY
DAVID BUTTIMER
JACQUI O'RIORDAN
DERMOT WALSH
BRIAN FLAHERTY
ROSARII GRIFFIN
MAURICE ANGLAND
DIANE FOORD

Appointed: 13/5/2011
Appointed: 13/5/2011
Appointed: 13/5/2011
Appointed: 11/12/2011

SECRETARY

DAVID BUTTIMER

REGISTERED OFFICE

32 THE MALL
TRALEE
CO. KERRY

BANKERS

BANK OF IRELAND
CASTLE STREET
TRALEE
CO. KERRY

AUDITORS

PATRICIA POWER & CO.
BRIDGE STREET
BANTRY
CO. CORK

ACCOUNTANTS

HORNIBROOK & CO.
BRIDGE STREET
BANTRY,
CO. CORK.

COMPANY NUMBER

441748

CHARITY NUMBER

CHY17838

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

CHAIRMAN'S STATEMENT FOR 2011 ACCOUNTS

REVENUE AND EXPENDITURE

The total income received by Action Lesotho during 2011 amounts to €175,572, compared with €83,902 in 2010. This large increase is explained entirely by grants totalling €90,000 received from Irish Aid, who have provided grant aid of €30,000 for 2011 and €60,000 p.a. for each of the years 2012 to 2014. We are deeply grateful to Minister Jan O'Sullivan and the staff of Irish Aid for this vote of confidence in what we are trying to achieve in Lesotho. In 2011 the funding from Irish Aid allowed us to employ a former volunteer, Pippa Kearon from Waterville, as a full-time consultant in Lesotho, with the brief of strengthening our management team there and helping them to implement our Strategic Plan for 2011 to 2014.

Total Expenditure in 2011 was €124,746 of which €104,994 was transferred to Lesotho, €16,143 related to the costs of employing Pippa Kearon, and the remaining €3,609.00 was the cost of administering the charity in Ireland. (Action Lesotho is run by a voluntary Board of Directors, who do all the administrative work; we have no employees in Ireland)

The Surplus of Income over Expenditure for 2011 was €50,826, which together with surpluses for previous years gives us Retained Reserves totalling €77,327 as at 31st December 2011. This, of course, includes the Irish Aid grant of €60,000 for 2012 which was received in December 2011.

EXPENDITURE IN LESOTHO

This is the first year that we have been able to include audited expenditure figures of Lesotho in our annual accounts. Expenditure in Lesotho is incurred in the local currency, Maloti, which is tied to the South African Rand, the exchange rate for which varied during 2011 between R8.5 and R10.5 to the Euro.

Our 2011 expenditure was made up as follows:

Humanitarian Relief	M163,446
(Feeding & Health programmes, plus child sponsorship)	
Enterprise & Income Support	M 38,992
(Nyenye Craft Group and Minor Projects)	
Capital Expenditure	M484,211
(Purchase of Site, Developing & Equipping Buildings)	
Management & Volunteer Costs	M260,106
(Wages, Transport, Accommodation, Admin. Costs)	
Total Expenditure in Lesotho	<u>M946,755</u>

At Year-End we had reserves of M118,687 in Lesotho.

ACTIVITIES

While maintaining our humanitarian programmes, a lot of our activity during 2011 was focussed on acquiring and development a site at the village of Phukalla, where we now have a mill, a grain store, an office of Action Lesotho, and the first phase of an Enterprise Development Centre, now occupied by Nyenye Crafts. These have been funded with the help of the IMPACT Trade Union and Waterville Friends of Lesotho.

With the help of Bantry Friends of Lesothos and Dochas Killarney, we invested in improved equipment and facilities at our Ha Maquele Community Centre, which now has a library, and internet cafe, a citizens advice centre, and training programmes in computers and English language courses.

We also developed a 10 hectare tillage farm from which we produced over 15 tonnes of maize most of which will be used in our feeding programmes. The inputs to this farm were funded by the profits from the mill which was handed over to us by Lebohang Morena, a local committee which shares our objectives of feeding the most disadvantaged families with locally-grown food.

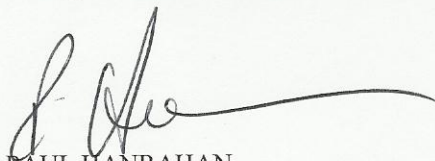
APPRECIATION

I would like to offer my grateful thanks to all our supporters in Ireland and abroad who have donated so generously to our cause during 2011. In particular, I wish to thank Brian and Eileen Coates of Limerick, whose personal generosity and unceasing fund raising has helped us out so often when funds got tight.

On behalf of the Board of Action Lesotho, I wish to express our appreciation of the magnificent work of N'tate Linne Mankoe, our General Manager in Lesotho, and his small team of dedicated workers, who have adopted so enthusiastically our Strategic Plan, which aims to increase the ability of the local communities to produce more of their own food, to generate income from small enterprises, and to empower them to tackle their local problems from the resources available to them.

I must express our admiration and gratitude to Pippa Kearon, our consultant in Lesotho, who inspirational leadership has led to new enterprises, new skills, and a new confidence among us all that we are moving in the right direction.

Finally, it is with great sadness that we marked the death in May 2011 of our Patron, Dr. Garrett Fitzgerald, who was the first Minister of Foreign Affairs to provide Irish Government aid to Lesotho. Later in the year we welcomed Dick Spring, another former Foreign Minister, as our new Patron.



PAUL HANRAHAN
CHAIRMAN.

**TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO**

(A company limited by Guarantee not having a Share Capital)

REPORT OF DIRECTORS

The Directors present their Report with the Audited Financial Statements for the year ended 31st December 2011.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The organisation is a charitable company limited by guarantee, incorporated under the Companies Acts, 1963 to 2009 on the 20th June 2007. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one euro (€1).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association and managed by a Board of Directors.

The company has been granted charitable status under Sections 207 and 2008 of the Taxes Consolidation Act 1997, Charity No. Chy 17838.

The company's objects and principal activities are the provision of aid to Lesotho.

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

RESULTS FOR THE YEAR

Against the backdrop of limited resources and insecurities over funding, it has continued to be difficult to plan or develop services. Nevertheless the charity with the aid of sound financial management and the support of its volunteers generated a positive financial outcome for the period.

DIRECTORS

The Directors in office are listed on page 2 and served on the Board throughout the year except where otherwise stated.

In accordance with the Articles of Association, the Directors retire by rotation and being eligible offer themselves for re-election.

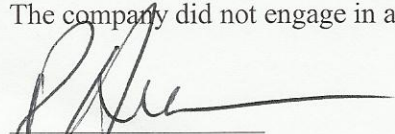
All directors serve in a voluntary capacity and are not remunerated. No shares are held by the directors.

EVENTS AFTER THE BALANCE SHEET DATE

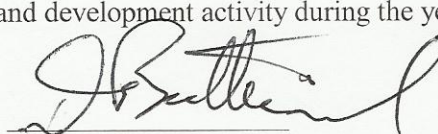
There have been no significant events affecting the company since the year-end.

RESEARCH AND DEVELOPMENT

The company did not engage in any research and development activity during the year.



**PAUL HANRAHAN
CHAIRMAN**



**DAVID BUTTIMER
SECRETARY**

TWINNING THE KINGDOMS LTD

(A company limited by Guarantee not having a Share Capital)

PRINCIPAL RISKS & UNCERTAINTIES

The directors have identified that the key risks and uncertainties the Charity faces relate to the risk of a decrease in the level of donations and the potential increase in compliance requirements in accordance with company, health and safety, taxation and other legislation.

The charity mitigates these risks as follows:-

- The charity continually monitors the level of activity, prepares and monitors its budgets targets and projections. The charity has a policy of maintaining significant cash reserves and it has also developed a strategic plan which will allow for the diversification of funding and activities;
- The charity closely monitors emerging changes to regulations and legislation on an ongoing basis;

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of volunteers, clients and visitors to the bookshop.

DIVIDENDS

The company is limited by guarantee, and therefore has no share capital. No dividends are payable by the company.

SAFETY HEALTH & WELFARE OF EMPLOYEES

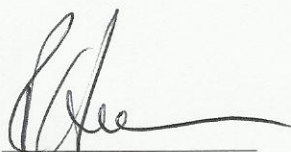
The well being of the company's volunteers is safeguarded through strict adherence to health and safety standards. The Safety, Health and Welfare at Works Act, 2005 imposes certain requirements and the company has taken the necessary action to ensure compliance with the Acts, including the adoption of a safety statement.

BOOKS OF ACCOUNT

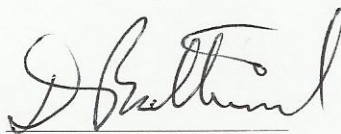
The directors are aware of their obligations under Section 202 of the Companies Act, 1990, to keep proper books of account, and the appropriate policies and procedures are in place to ensure the recording of transactions. The books of account are maintained at Glengarriff Road, Bantry, Co. Cork.

AUDITORS

Patricia Power & Co. Chartered Accountants and Registered Auditor has indicated her willingness to continue in office in accordance with Section 160 (2) of the Companies Act, 1963.



PAUL HANRAHAN
CHAIRMAN



DAVID BUTTIMER
SECRETARY

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 Accounting Standards Board and published by the Auditing Practices Board in the UK and Ireland.

Irish company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company of the surplus or deficit or the company for that period.

In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statement on the going concern basis unless it is inappropriate to presume that the company will continue in business.

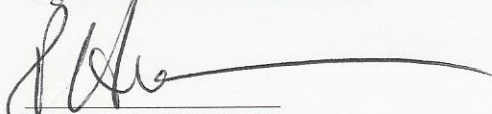
The directors confirm that they have complied with the above requirements in preparing the financial statements.


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 the financial statement are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts 1963 to 2009 and all Regulations to be construed as one with those Acts. They are responsible for ensuring that the company otherwise complies with the provisions of these Acts relating to financial statements in so far as they are applicable to the company.

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.

Where financial statement are to be published on the web, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Signed on behalf of the Board


PAUL HANRAHAN
CHAIRMAN


DAVID BUTTIMER
SECRETARY

5th April 2012

TWINNING THE KINGDOMS LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TWINNING THE KINGDOMS LTD T/A ACTION LESOTHO (BY GUARANTEE) FOR THE YEAR ENDED 31ST DECEMBER 2011

We have audited the financial statements of TWINNING THE KINGDOMS LTD T/A ACTION LESOTHO by Guarantee for the year ended 31st December 2011, which comprises of 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 therein.

The report is made solely to the company's members as a body in accordance with Section 193 of the Companies Acts, 1990. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in the audit 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 or 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 Statements of Directors' Responsibilities the company's directors are responsible for the preparation of 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 published by the Institute of Chartered Accountants in Ireland/Certified Public Accountants/Association of Chartered Certified Accountants/Institute of Incorporated Public Accountants.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) promulgated by the Auditing Practices Board (UK 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 and are properly prepared in accordance with the Companies Acts, 1963 to 2009. 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 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 Balance Sheet and Profit and Loss are in agreement with the books of account.

We also report to you, in our opinion any information specified by law regarding directors' remuneration and directors' transactions are 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 misstatement within it.

TWINNING THE KINGDOMS LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF TWINNING THE KINGDOMS LTD T/A ACTION LESOTHO (BY GUARANTEE) AS AT 31st December 2011

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances 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.

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 applicable law and International Standards on Auditing Practices Board's (APB's) Ethical Standards of Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 8 to the financial statements.

We have undertaken the audit in accordance with the requirements of the APB Ethical Standards - Provisions Available to Small entities under the circumstances set out in Note 8 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 company's affairs as at 31st December 2011 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2009.

We have obtained all the information and explanations we consider necessary for the purpose of our audit. In our opinion, the company has kept proper books of account. The company's 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.



PATRICIA POWER for and on behalf of

PATRICIA POWER & CO.

CHARTERED ACCOUNTANT

REGISTERED AUDITOR,

BRIDGE STREET,

BANTRY,

CO. CORK.

10th April 2012

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A company limited by Guarantee not having a Share Capital)

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31/12/11

	Notes	2011 €	2010 €
INCOME	2	€175,572	€83,902
EXPENDITURE		€124,746	€77,085
OPERATING SURPLUS		50,826	6,817
SURPLUS BEFORE TAXATION	3	50,826	6,817
TAXATION	4	=	=
SURPLUS AFTER TAXATION		50,826	6,817
RETAINED SURPLUS B/F		<u>26,501</u>	<u>19,684</u>
RETAINED RESERVES C/F		<u>€77,327</u>	<u>€26,501</u>

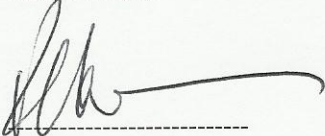
The company had no recognised gains or losses other than those in the Income & Expenditure account in the current year.

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations.

These financial statements were approved by the directors on the 5th April 2012, and are signed on their behalf by:



DAVID BUTTIMER
 SECRETARY



PAUL HANRAHAN
 CHAIRMAN

The Notes on Pages 13 to 17 form part of these Accounts.

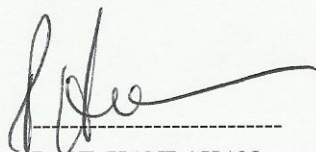
TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A company limited by Guarantee not having a Share Capital)

BALANCE SHEET AS AT 31/12/11

	Notes	31/12/11	31/12/10
		€	€
FIXED ASSETS		-	-
CURRENT ASSETS			
DEBTORS (amounts due within one year)	5	-	-
CASH AT BANK AND IN HAND		<u>78,547</u>	<u>35,701</u>
		-	-
CURRENT LIABILITIES			
CREDITORS (amounts payable within 12 months)	6	<u>1,220</u>	<u>9,200</u>
		1,220	9,200
NET CURRENT ASSETS		<u>77,327</u>	<u>26,501</u>
NET ASSETS		<u>€77,327</u>	<u>€26,501</u>
<u>REPRESENTED BY:</u>			
REVENUE RESERVES		<u>€77,327</u>	<u>€26,501</u>

The financial statements were approved by the directors on the 5th April 2012 and are signed on their behalf by:-



PAUL HANRAHAN
 CHAIRMAN



DAVID BUTTIMER
 SECRETARY

The notes on pages 13 to 17 form part of these accounts

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2011

	31/12/11	31/12/10
	€	€
Reconciliation of Operating Profit to Net Cash Outflow from Operating Activities		
Operating Profit/Loss	50,826	6,817
Depreciation	-	-
Increase/Decrease in Creditors	<u>7,980</u>	<u>8,700</u>
Net Cash Cash flow/Inflow from Operating Expenses	<u>€42,846</u>	<u>€15,517</u>
Cash Flow Statement		
Net Cash Inflow from Operating Activities	<u>€42,846</u>	<u>€15,517</u>
Reconciliation of Net Cash Flow to Movement in Net Funds 7		
Increase in Cash in the Year.	42,846	15,517
Net Funds at 1st January 2011	<u>35,701</u>	<u>20,184</u>
Net Funds at 31st December 2011	<u>€78,547</u>	<u>€35,701</u>

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A Company Limited by Guarantee and not having a Share Capital)

NOTES ON & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31/12/11

NOTE 1.

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.

1.1 BASIS OF PREPARATION

The audited financial statements have been prepared and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 1963 to 2009. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published by the Auditing Practices Board in the UK and Ireland.

All assets and liabilities will be transferred at their book value.

1.2 TURNOVER

Turnover represents amounts receivable from bookshop income, donations and fund raising income.

Income Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. For legacies if applicable, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. The following specific policies are applied to particular categories of income.

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO**

(A Company Limited by Guarantee and not having a Share Capital)

NOTES ON & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31/12/11

EXPENDITURE

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fund raising purposes including the charity shop.
- Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION
NONE

1.4. GOVERNMENT GRANTS
Grant Income is either credited when receivable to the statement of financial activities or is deducted from expenses which give rise to the gross expenditure grants are credited to the statement of financial activities upon the recognition of the associated expenses for which the grant was originally received.

1.5 PENSIONS
The company does not operated a pension scheme as the company has no employees.

NOTE 2.

INCOME

The total income of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

	2011	2010
	€	€
CLASS OF BUSINESS		
Grants Fund Raising & Related Activities	175,572	83,902
GEOGRAPHICAL MARKET		
Ireland	100%	100%

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

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NOTES ON & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31/12/11

NOTE 3.

SURPLUS BEFORE TAXATION

	2011	2010
	€	€
Net surplus/Deficit before taxation	<u>50,826</u>	<u>6,817</u>
The surplus/deficit before taxation is after charging:		
BANK INTEREST	-	-
AUDITORS REMUNERATION	1,000	900
DEPRECIATION	-	-
	<u> </u>	<u> </u>

NOTE 4.

TAXATION

The Company was granted charitable status under reference CHY 17838 and is exempt from Corporation Tax.

NOTE 5.

DEBTORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	2011	2010
	€	€
TRADE DEBTORS	-	-
SUNDRY DEBTORS	-	-
	<u> </u>	<u> </u>
	€NIL	€NIL
	<u> </u>	<u> </u>

NOTE 6.

CREDITORS (Amounts falling due within one Year)

	2011	2010
	€	€
Other Creditors		
Creditors & Accrued Expenses	1,220	9,200
TAXATION	-	-
	<u> </u>	<u> </u>
	€1,220	€9,200
	<u> </u>	<u> </u>

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A Company Limited by Guarantee and not having a Share Capital)

NOTES ON & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31/12/11

NOTE 7.

ANALYSIS OF CHANGES IN NET FUNDS

	OPENING BALANCE	CASH FLOWS	CLOSING BALANCE
	€	€	€
Cash at Bank and in Hand	35,701	42,840	78,547
Net Funds	€35,701	€48,840	€78,547

NOTE 8.

APB ETHICAL STANDARDS - Provisions Available to Small Entities

As a small entity under the provision of the APB in relation to Ethical Standards we engage our auditor to provide accounts preparation.

NOTE 9.

COMPANY LIMITED BY GUARANTEE

The company is one limited by guarantee not having a share capital.

NOTE 10.

The current accounts are for a 12 month period. The comparative accounts are for a 12 month period.

NOTE 11

POST BALANCE SHEET EVENTS

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly effect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial period 31st December 2011

NOTE 12.

RELATED PARTY TRANSACTIONS

There were no transactions with directors or related parties during the year.

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

(A Company Limited by Guarantee and not having a Share Capital)

NOTES ON & FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31/12/11

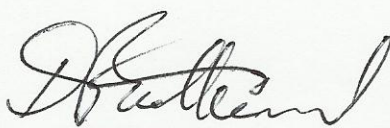
NOTE 13

GOING CONCERN

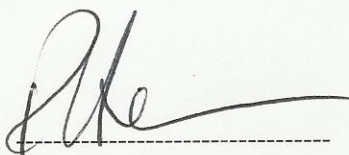
These financial statements have been prepared as a going concern basis. The company has positive financial resources and is relying on the continued support of shop income, donations, fund income and also grant income. The directors are of the opinion that such financial support will continue for the foreseeable future of twelve months from date of approval and that it is therefore appropriate to prepare the company's financial statement on a going concern basis.

APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statement on the 5th April 2012.



DAVID BUTTIMER
SECRETARY



PAUL HANRAHAN
CHAIRMAN

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

SCHEDULE TO THE ACCOUNTS

	2011	2010
	€	€
<u>INCOME</u>		
INCOME FROM BOOKSHOP	22,793	27,439
LESS OPERATING COSTS OF BOOKSHOP	(12,741)	(14,739)
DONATIONS & SPONSORSHIP	33,737	15,992
BANTRY FRIENDS OF LESOTHO	9,298	10,938
IRISH AID GRANT FOR 2012	60,000	-
IRISH AID GRANT (micro project)	30,000	-
DOCHAS	4,000	-
WATERVILLE FRIENDS OF LESOTHO	6,000	350
MISC. INCOME	1,837	40
IRISH AID GRANTS FOR EXHIBITIONS	-	10,000
FUNDRAISING EVENTS	5,648	18,882
GRANT FROM IMPACT TRADE UNION	<u>15,000</u>	<u>15,000</u>
	<u>€175,572</u>	<u>€83,902</u>
<u>EXPENSES</u>		
DIRECT AID TRANSFERRED TO LESOTHO	104,994	50,533
FLIGHTS TO LESOTHO	1,143	3,583
TRIP EXPENSES	75	4,574
SUNDRY	(10)	1
EXHIBITION EXPENSES	-	6,500
EXHIBITION GRANT REFUNDABLE TO IRISH AID	-	8,000
AUDIT & ACCOUNTANCY FEES	1,240	1,200
CONSULTANT COSTS	15,000	-
BANK CHARGES	198	335
OFFICE SUPPLIES & ADMINISTRATION	1,460	1,763
MEETINGS	547	596
SUBSCRIPTIONS	99	-
LEGAL FEES	-	-
	<u>€124,746</u>	<u>€77,085</u>
 SURPLUS	 <u>€50,826</u>	 <u>€6,817</u>

TWINNING THE KINGDOMS LTD
T/A ACTION LESOTHO

We certify that the attached copy of the Balance Sheet, Profit & Loss Account, Directors' Report and Auditors' Report, for the year ending 31st December 2011, was laid before the Annual General Meeting on the *22nd April 2012* and are a true copy of same.

Signed:  Secretary
DAVID BUTTIMER

Signed:  Director
PAUL HANRAHAN

ACTION LESOTHO

Registration No. A2010/56

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

ACTION LESOTHO

Registration No. A2010/56

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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**TO THE BOARD OF DIRECTORS OF
ACTION LESOTHO**

We have reviewed the financial statements of Action Lesotho as set out on pages 2 and 3 for the year ended 31 December 2011.

Scope


We conducted our review in accordance with International Auditing Standards and Guidelines as recommended by the Lesotho Institute of Accountants. These standards require that we plan and perform the review to obtain reasonable assurance that the financial statements are free of material misstatement. A review includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used
- evaluating the overall financial statement presentation.

We believe that our review provides a reasonable basis for our opinion.

Review opinion

In our opinion, these financial statements fairly present, in all material respects, the financial position of the undertaking at 31 December 2011 and the results of their operations for the year then ended in accordance with generally accepted accounting practice, and in the manner required by the Companies Act.


GH AUDITORS ACCOUNTANTS

28 March 2012

ACTION LESOTHO

Registration No. A2010/56

BALANCE SHEET

Registration No. A2010/56

AS AT 31 DECEMBER 2011

	2011 M	2010 M
ASSETS		
Current assets	118,687	50,861
Cash and cash equivalents	118,687	50,861
Total assets	118,687	50,861
EQUITY AND LIABILITIES		
Accumulated revenue	118,687	50,861
Opening balance	50,861	42,308
Surplus this year	67,827	8,553
Total equity and liabilities	118,687	50,861

ACTION LESOTHO

Registration No. A2010/56

**RECEIPTS AND PAYMENTS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 M	2010 M
Receipts		
Direct aid from Action Lesotho - Ireland	669,608	467,195
Vehicle fund	66,168	-
Waterville and Impact	272,754	-
Sundry income	6,052	12,095
Interest received	-	12
Total receipts	1,014,581	479,302
Payments		
Enterprise and income support	38,992	33,470
Ha Nyenye Craft Group	30,295	29,825
Pig project	-	1,145
Other	8,697	2,500
Humanitarian relief	163,446	166,141
Lepoqong feeding program	27,754	30,657
Loantsang feeding program	38,917	48,994
Malimpho feeding program	53,437	46,286
Sponsorship	42,509	36,953
Disability program	-	2,099
Other	829	1,152
Management and volunteer costs	260,106	215,104
Salaries & wages	116,730	77,588
Transport	-	31,363
Admin overheads	334	20,776
Printing & stationery	5,930	-
Insurance	23,703	-
Running expenses	71,314	-
Vehicle expenses	2,495	-
Apartment costs	39,600	65,447
Volunteer costs	-	19,930
Capital expenditure	484,211	56,034
Ha Masele Community Centre	26,933	48,113
Vehicle purchased	56,000	-
Nyene Craft Centre	165,997	-
Agric site	36,788	-
Grain store	14,126	-
Equipent for schools	-	1,065
Office	9,367	-
Phukalla site	175,000	6,856
Total payments	946,755	470,749
Surplus for the year	67,827	8,553