

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho
(A company limited by guarantee, without a share capital)

Directors' Report and Financial Statements

for the year ended 31 December 2016

Patricia Power & Co
Chartered Accountants and Registered Auditors
Bridge Street
Bantry
Co. Cork

Company Number: 441748

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho
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CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7
Income and Expenditure Account	8
Balance Sheet	9
Notes to the Financial Statements	10 - 13
Supplementary Information on Income and Expenditure Account	15

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DIRECTORS AND OTHER INFORMATION

Directors	Paul Hanrahan Clare Heardman Colleen O'Kane (Resigned 1 January 2016) David Buttimer Jacqui O'Riordan Brian O'Flaherty Diane Foord Eileen Coates Pauline Carroll (Appointed 12 February 2016) Theresa Moriarty (Appointed 11 November 2016)
Company Secretary	David Buttimer
Company Number	441748
Charity Number	17838
Registered Office	32 The Mall Tralee Co. Kerry
Auditors	Patricia Power & Co Chartered Accountants and Registered Auditors Bridge Street Bantry Co. Cork
Bankers	Bank of Ireland Castle Street Tralee Co. Kerry

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho

(A company limited by guarantee, without a share capital)

DIRECTORS' REPORT

for the year ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Principal Activity and Review of the Business

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

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

The company is a charitable organisation, incorporated under the Companies Act 2014. The company was established under a Memorandum of Association which established the objects and powers of the 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 208 of the Taxes Consolidation Act 1997, Charity No. CHY17838.

There has been no significant change in these activities during the year ended 31 December 2016.

Principal Risks and 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 company mitigates these risks are follows:-

- The charity continually monitors its level of activity, and prepares and monitors its budget 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.
- The charity continually seeks new sources of long-term funding from private sector companies and government organisations.

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.

Financial Results

The surplus for the year amounted to €6,846 (2015 - €5,551).

At the end of the year the company has assets of €71,584 (2015 - €63,754) and liabilities of €2,640 (2015 - €1,656). The net assets of the company have increased by €6,846.

Directors and Secretary

The directors who served throughout the year, except as noted, were as follows:

Paul Hanrahan
Clare Heardman
Colleen O'Kane (Resigned 1 January 2016)
David Buttimer
Jacqui O'Riordan
Brian O'Flaherty
Diane Foord
Eileen Coates
Pauline Carroll (Appointed 12 February 2016)
Theresa Moriarty (Appointed 11 November 2016)

The secretary who served throughout the year was David Buttimer

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

Future Developments

The company plans on continuing the activity outlined above in the forthcoming years subject to satisfactory funding arrangements. The company intends to continue fund raising and raising awareness of their organisation.

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DIRECTORS' REPORT

for the year ended 31 December 2016

Post Balance Sheet Events

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

Auditors

The auditors, Patricia Power & Co, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

Financial Results

The financial results of the company are set out on page 8.

The financial situation of the company has been strengthened by the generosity of the IMPACT trade union, which agreed in 2014 to donate €50,000 per annum for five years, starting from July 2014. The third instalment of €50,000 was received on 4th April 2016.

Irish Aid agreed funding for a three year programme relating to enterprise development, commencing on 1st July 2015. The first instalment of €63,000 was received on 25th June 2015. The second instalment of €70,000 was received on 11th July 2016.

The only other contributor to the enterprise development project was Citiwire UK Limited who donated €6,273.53 in May 2016.

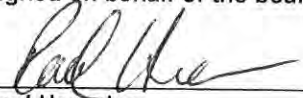
Statement on Relevant Audit Information

There is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting Records

To ensure that proper books and accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have implemented the necessary policies and procedures for recording transactions, and have maintained appropriate computerised accounting systems. The books of account are located at the company's office at 32 The Mall, Tralee, Co. Kerry.

Signed on behalf of the board


Paul Hanrahan
Director

7 April 2017


David Buttimer
Director

7 April 2017

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho

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DIRECTORS' RESPONSIBILITIES STATEMENT

for the year ended 31 December 2016

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

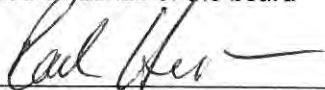
Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy and enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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



Paul Hanrahan
Director

7 April 2017



David Buttimer
Director

7 April 2017

INDEPENDENT AUDITOR'S REPORT

to the Members of Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho

(A company limited by guarantee, without a share capital)

We have audited the financial statements of Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho for the year ended 31 December 2016 which comprise the Income and Expenditure Account, the Balance Sheet, the Accounting Policies and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. 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, including 'APB Ethical Standard - Provisions Available for Small Entities (Revised)', in the circumstances set out in Note 6 to the financial statements.

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 of the assets, liabilities and financial position of the company as at 31 December 2016 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014.

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



Patricia Power

for and on behalf of

PATRICIA POWER & CO

Chartered Accountants and Registered Auditors

Bridge Street

Bantry

Co. Cork

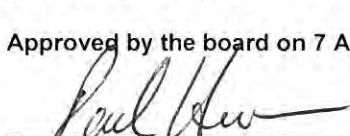
11 April 2017


Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho
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INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2016

	Notes	2016 €	2015 €
Income	7	204,281	188,659
Expenditure		(197,435)	(183,108)
Total Comprehensive Income		6,846	5,551
Retained surplus brought forward		62,098	56,547
Retained surplus carried forward		68,944	62,098

The company has no recognised gains or losses other than the surplus 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 7 April 2017 and signed on its behalf by:


Paul Hanrahan
Director


David Buttmer
Director

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho


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BALANCE SHEET

as at 31 December 2016

	Notes	2016 €	2015 €
Current Assets			
Debtors	10	1,143	-
Cash and cash equivalents		70,441	63,754
		<u>71,584</u>	<u>63,754</u>
Creditors: Amounts falling due within one year	11	(2,640)	(1,656)
Net Current Assets		<u>68,944</u>	<u>62,098</u>
Total Assets less Current Liabilities		<u>68,944</u>	<u>62,098</u>
Reserves			
Income and expenditure account		68,944	62,098
Equity attributable to owners of the company		<u>68,944</u>	<u>62,098</u>

Approved by the board on 7 April 2017 and signed on its behalf by:


Paul Hanrahan
Director


David Buttmer
Director

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2016

1. GENERAL INFORMATION

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho is a company limited by guarantee incorporated in the Republic of Ireland.

2. 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.

Statement of compliance

The financial statements of the company for the year ended 31 December 2016 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council, as promulgated by Chartered Accountants Ireland. There have been no transitional adjustments made.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

Cash flow statement

The company has availed of the exemption in FRS 102 from the requirement to prepare a Cash Flow Statement because it is classified as a small company.

Income

Income consists of grants, fundraising and donations, and other funds generated by voluntary activities. These are included in the financial statements when received. Incoming resources have been included in the financial statements only when realised or when the ultimate cash realisation of which can be assessed with reasonable certainty.

Grants

Grants received specifically as a contribution towards capital expenditure are credited directly to the capital fund in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated.

Grant income from Public Sector Bodies / Government Agencies and other sundry sources are either credited when receivable to the Statement of Financial Activities or are deducted from expenses which give rise to the grants. Expenditure grants are credited to the Statement of Financial Activities upon recognition of the associated expense for which the grant was originally received.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Section 207 and 208 of the Taxes Consolidation Act 1997, Charity No. CHY17838

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho

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NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2016

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income and Expenditure Account.

3. ADOPTION OF FRS 102

This is the first set of financial statements prepared by Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The company transitioned from previously extant Irish and UK GAAP to FRS 102 as at 1 January 2016.

4. DEPARTURE FROM COMPANIES ACT 2014 PRESENTATION

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

5. GOING CONCERN

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

6. PROVISIONS AVAILABLE FOR SMALL ENTITIES

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

7. INCOME

The income for the year has been derived from:-

	2016 €	2015 €
Income from bookshop	40,960	36,706
Donations and sponsorship	19,924	15,687
Donation from Arabawn Co-op	5,000	5,000
Donation from Citywire U.K. Ltd	6,274	6,640
Bantry friends of Lesotho	10,000	10,200
Miscellaneous income	2,123	1,426
Irish Aid grant	70,000	63,000
Impact Trade Union grant	50,000	50,000
	<u>204,281</u>	<u>188,659</u>

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 raising funds for the provision of aid to Lesotho.

8. OPERATING SURPLUS

	2016 €	2015 €
Operating surplus is stated after charging/(crediting):		
Surplus/(deficit) on foreign currencies	<u>(1,134)</u>	<u>2,504</u>

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NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2016

9. EMPLOYEES AND REMUNERATION

Number of employees

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

	2016 Number	2015 Number
Employees	1	1

The staff costs comprise:

	2016 €	2015 €
Wages and salaries	26,000	19,197
Social welfare costs	2,795	-
	28,795	19,197

10. DEBTORS

	2016 €	2015 €
Prepayments and accrued income	1,143	-

11. CREDITORS

Amounts falling due within one year

	2016 €	2015 €
Taxation (Note 12)	959	-
Accruals	1,681	1,656
	2,640	1,656

12. TAXATION

	2016 €	2015 €
Creditors: PRSI	959	-

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 € 1.

14. CAPITAL COMMITMENTS

The company had no material capital commitments at the year-ended 31 December 2016.

15. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year, other than travel and subsistence paid to directors for travel to Lesotho, details of which are as follows:-

31st December 2016 total - €1,052 (31/12/2015 total - €1,568)

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho
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NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2016

16. POST-BALANCE SHEET EVENTS

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

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 7 April 2017.

TWINNING THE KINGDOMS COMPANY LIMITED BY GUARANTEE T/A ACTION LESOTHO
(A company limited by guarantee, without a share capital)

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

Twinning the Kingdoms Company Limited by Guarantee T/A Action Lesotho
(A company limited by guarantee, without a share capital)
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2016

	2016 €	2015 €
<u>Income</u>		
Income from bookshop	40,960	36,706
Donations and sponsorship	19,924	15,687
Donation from Arabawn Co-op	5,000	5,000
Donation from Citywire U.K. Ltd	6,274	6,640
Bantry friends of Lesotho	10,000	10,200
Fundraising events	-	-
Miscellaneous income	2,123	1,426
Irish Aid grant	70,000	63,000
Impact Trade Union grant	50,000	50,000
	204,281	188,659
<u>Expenditure</u>		
<i>Expenditure on Activities in Lesotho</i>		
Funds transferred to Lesotho	145,896	126,656
Exchange rate loss / (gain)	(1,134)	2,504
Wages and salaries	26,000	17,333
Employer's PRSI	2,795	1,864
In-country management	-	8,000
Fees and flights for consultants	5,061	4,850
Other flights and travel expenses	3,675	2,444
	182,293	163,651
<i>Costs incurred in Ireland</i>		
<u>A – Operating costs of bookshop</u>		
Wages and salaries	-	-
Rent payable	7,510	9,734
Light and heat	1,893	1,257
Repairs, maintenance and miscellaneous expenses	746	2,408
	10,149	13,399
<u>B – Overheads</u>		
Meetings	426	533
Insurance	1,505	1,455
Auditor's remuneration	1,582	1,656
Legal and professional fees	-	300
Bank charges	379	455
Office supplies and administration	467	908
General expenses	634	751
	4,993	6,058
Total expenditure	197,435	183,108
Net surplus / (deficit)	6,846	5,551