

Ethiopiaid

Trustees' Report and Financial Statements

For the year ended 31 December 2016

Ethiopiaid

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Ethiopiaid

Company Information

| | |
|--|--|
| Company registration number | 343187 |
| Charities Regulatory Authority Number | 20041069 |
| Date of incorporation | 16 May 2001 |
| Trustees | Michael Keegan Oonagh O'Connor (Resigned 18 January 2016) Alexandra Chapman David Murphy Philip Joseph O'Dwyer Lydia McCormack Harriet Andrews (Appointed 15 April 2016) |
| Secretary | Oonagh O'Connor (Resigned 18 January 2016) Lydia McCormack (Appointed 18 January 2016) |
| Registered office | 20 Harcourt Street Dublin 2 |
| Auditors | Whiteside Cullinan Registered Auditor and Chartered Accountants Molesworth House 1 - 2 South Frederick Street Dublin 2 |
| Bankers | Bank of Ireland St. Stephen's Green Dublin 2 |
| Solicitors | Eugene F. Collins 3 Burlington Road Dublin 4 |

Ethiopiaid

Trustees' Report

For the year ended 31 December 2016

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

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

Registration and Constitution

Ethiopiaid is a registered charity in the Republic of Ireland (charity number CHY13305), granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997 and with a Charities Regulatory Authority Number 20041069. Ethiopiaid is governed by its Memorandum & Articles of Association dated the 16 May 2001.

Trustees

The trustees who held office during the year are:

Michael Keegan
Oonagh O'Connor (Resigned 18 January 2016)
Alexandra Chapman
David Murphy
Philip Joseph O'Dwyer
Lydia McCormack
Harriet Andrews (Appointed 15 April 2016)

Oonagh O'Connor resigned on the 18 January 2016. Harriet Andrews was appointed as Trustee on 15 April 2016.

The trustees meet annually to receive the audited financial statements. Other meetings take place as required.

Principal Risks and Uncertainties

Ethiopiaid has established a risk management process which seeks to ensure that the responsible people in the organisation identify, manage and mitigate risks. Risks are regularly discussed and assessed at all levels in the organisation up to Board and Trustee level.

The principal risks and uncertainties facing Ethiopiaid are as follows:

Financial: The principal financial challenge facing Ethiopiaid is in the area of public donations. Ethiopiaid is dependent for its income on the goodwill of the public. The fundraising environment remains very challenging. Ethiopiaid is constantly trying to identify new sources of income.

Compliance and Regulation: Ethiopiaid adheres to the sectors recommended codes of practice such as Charities SORP FRS102 – Accounting and Reporting for Charities (“SORP”), the Dóchas Code of Corporate Governance, and is committed to the standards contained within the Statement of Guiding Principles for Fundraising. Ethiopiaid is also on the Governance Code implementation journey.

Ethiopiaid adheres to the Dóchas Code of Conduct on Images and Messages. This Code promotes good practice among overseas development organisations in how they represent the people and communities these serve and the situation in which they work. It requires signatories only to use images and messages that respectfully and truthfully represent the people featured, maintaining their dignity and communication solidarity.

Ethiopiaid

Trustees' Report

For the year ended 31 December 2016

2. OBJECTIVES AND ACTIVITIES

Activities

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

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

3. ACHIEVEMENTS AND PERFORMANCE

Ethiopiaid supports five partner organisations, primarily working in and around Addis Ababa, Ethiopia's capital, although it is specifically supporting their development outside the capital where relevant.

A breakdown of the support given by Ethiopiaid to its partner projects in 2016 is as follows:

The Addis Ababa Hamlin Fistula Hospital - (€50,000)

The Hospital is world-renowned for its treatment of women who have suffered terrible injuries during childbirth. They treat nearly 2,500 women each year, many of whom have endured years of incontinence before hearing that a simple operation can cure them completely.

Cheshire Services Ethiopia - (€50,000)

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

Hope Enterprises - (€50,000)

Ethiopia's first indigenous Non-Governmental Organisation runs projects with the aim of providing a future for the children of Ethiopia. They have established extremely successful primary and secondary schools, as well as running vocational centres, which have a good record of job placement and even job creation. In 2000, they began a breakfast for street children which was initiated by Ethiopiaid. Currently, 850 street children receive breakfast every day, of which 350 are enrolled in formal education.

Association for Women's Sanctuary and Development (AWSAD) – (€30,000)

AWSAD was founded to protect women from the threat and consequence of violence. The organisation's core activities can be divided into three sections: running an effective safe house, building capacity and skills and enhancing communication and awareness. Additionally, AWSAD train teachers, police staff and women affairs officers on survivors' needs and sensitive procedures when supporting victims of violence.

Facing Africa – (€30,000)

Facing Africa send teams of medical volunteers to Ethiopia to perform reconstructive surgery on people who have been tragically disfigured by Noma. All the healthcare professionals are unpaid volunteers, generously donating their time and skills. Noma attacks people, particularly children, whose immune systems have been weakened by disease and malnutrition.

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Trustees' Report

For the year ended 31 December 2016

4. FINANCIAL REVIEW

The results for the year are presented on page 10 in the form of a Statement of Financial Activities in order to comply with the Statement of Recommended Practice (SORP) *Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102)*.

Incoming Resources

The total income for the year was €352,518 a decrease of 13.7% over 2015. €340,802 came from donations and €11,716 from tax refunds on donations.

Resources Expended

The Statement of Financial Activities shows the analysis of resources expended between charitable activities and governance costs. Donations to charities amounted to €210,000 (2015: €253,353). Note 6 to the financial statements details these donations.

Financial Position and Reserve Policy

The trusts available resources at the end of the year were €253,037 (2015: €234,163). €40,000 of the available resources is restricted leaving a balance of €213,037 as unrestricted available funds.

Political Contributions

There were no political contributions which require disclosure under the Electoral Act 1997.

Accounting records


To ensure that proper accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the trustees have established appropriate accounting systems to adequately record the transactions of the company. The trustees also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at 20 Harcourt Street, Dublin 2.

Auditors

The auditors, Whiteside Cullinan, have indicated their willingness to continue in office in accordance with the provisions of Section 380 of the Companies Act, 2014.

This report was approved by the Board on 26 September 2017 and signed on its behalf by:


Michael Keegan
Director


Lydia McCormack
Director

Ethiopiaid

Statement of Trustees' Responsibilities

The trustees (the trustees are also the directors for the purpose of company law) are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland.

Irish company law requires the trustees to prepare financial statements for each financial year. Under the law the trustees 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) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the trustees 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 that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and 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 reason 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 charitable company will continue in operation.

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

The trustees are responsible for ensuring that the company keeps or causes to be kept proper 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, enable them to ensure that the financial statements and trustees' report comply with the Companies Act 2014 and enable the financial statements to be audited. To ensure that proper books and records are kept, the charity has employed appropriate computerized accounting systems. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the Board on 26 September 2017 and signed on its behalf by:


Michael Keegan
Director


Lydia McCormack
Director

Independent Auditors Report

to the members of Ethiopiaid

We have audited the financial statements of Ethiopiaid for the year ended 31 December 2016 which comprise the Statement of Financial Activities, 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 The Companies Act 2014 and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's trustees, 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 trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 1 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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 the 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 requirements of 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 purpose 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 Trustees Report is consistent with the financial statements.

Independent Auditors Report

to the members of Ethiopiaid

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 trustees' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



David Buggy FCA
For and on behalf of
Whiteside Cullinan,
Registered Auditor and Chartered Accountants
Molesworth House,
1 - 2 South Frederick Street,
Dublin 2.

Date: 26 September 2017

Ethiopiaid


Statement of Financial Activities


for the year ended 31 December 2016

| | Notes | Unrestricted Funds € | Restricted Funds € | 2016 Total Funds € | 2015 Total Funds € |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Incoming resources | | | | | |
| Donations - from Irish donors | | 303,302 | 37,500 | 340,802 | 347,854 |
| Interest receivable & other income | 7 | - | - | - | 20,460 |
| Income tax repayable | 3 | 11,716 | - | 11,716 | 40,256 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 315,018 | 37,500 | 352,518 | 408,570 |
| Resources expended | | | | | |
| Costs of generating funds: | | | | | |
| Fundraising and publicity | 4 | 43,775 | - | 43,775 | 68,822 |
| Management and administration | 5 | 79,870 | - | 79,870 | 42,816 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 123,645 | - | 123,645 | 111,638 |
| Charitable expenditure | 6 | 172,500 | 37,500 | 210,000 | 253,353 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total resources expended | | 296,145 | - | 333,645 | 364,991 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net incoming resources | | 18,873 | - | 18,873 | 43,579 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

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

The financial statements were approved by the Board on 26 September 2017 and signed on its behalf by:


 Michael Keegan
 Director


 Lydia McCormack
 Director

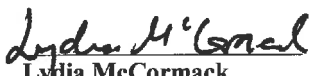
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Balance Sheet as at 31 December 2016

| | Notes | 2016 € | 2015 € |
|---|-------|-------------|-------------|
| Current assets | | | |
| Debtors | 9 | - | 14,380 |
| Cash at bank and in hand | | 323,863 | 236,368 |
| | | <hr/> | <hr/> |
| | | 323,863 | 250,748 |
| Creditors: amounts falling due within one year | 10 | (70,826) | (16,585) |
| | | <hr/> | <hr/> |
| Net current assets | | 253,037 | 234,163 |
| | | <hr/> | <hr/> |
| Net assets | | 253,037 | 234,163 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| Reserves | | | |
| Retained surplus | 14 | 253,037 | 234,163 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The financial statements were approved by the Board on 26 September 2017 and signed on its behalf by:


Michael Keegan
Director


Lydia McCormack
Director

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Cash Flow Statement

for the year ended 31 December 2016

| | Notes | 2016 € | 2015 € |
|---|-------|---------------|-----------------|
| Net cash inflow / (outflow) from operating activities | 11 | 87,520 | (14,267) |
| Net cash inflow / (outflow) before financing | | <u>87,520</u> | <u>(14,267)</u> |
| Increase / (Decrease) in cash and cash equivalents | 12 | <u>87,520</u> | <u>(14,267)</u> |

Statement of Total Recognised Gains & Losses For the year ended 31 December 2016

| | 2016 € | 2015 € |
|----------------------|---------------|---------------|
| Surplus for the year | <u>18,873</u> | <u>43,579</u> |

Ethiopiaid
Notes to the Financial Statements
For the year ended 31 December 2016

- 1. Company limited by guarantee**
The company is a company limited by guarantee and not having a share capital. In effect the liability of the members to contribute to the assets of the company is limited. Each member undertakes to pay €1 in the event of the company being wound up or within a year of ceasing to be a member. However the guarantee company is a separate person in law and it survives changes in its membership and office holders.
- 2. Statement of accounting policies**
The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.
- 2.1. Basis of preparation**
The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and FRS102, effective from 1st January 2015.
- The financial statements are prepared on the going concern basis. The Board has reviewed their financial position and believe that there are sufficient resources to enable the company to continue in operational existence for the foreseeable future.
- 2.2. Income**
Income represents the total amount of donations received during the year. Income is treated as being general and unrestricted, unless a donor has specified the manner in which the donation is to be spent, in which case it is treated as restricted income.
- The charity can reclaim tax on certain donations and this income tax is credited to the statement of financial activities.
- 2.3. Resources Expended**
All expenditure is accounted for on an accruals basis and has been analysed between Fundraising and Publicity Costs and Management and Administration Costs of the company.
- 2.4. Taxation**
Given the nature of the company's activities, the company has been granted a tax exemption as a charitable organisation. As a result of this no provision is made for taxation in these financial statements.
- 2.5. Foreign currencies**
Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are translated at the date of the transactions. All differences are taken to the Statement of Financial Activities.

| 3. Income tax repayable | 2016 | 2015 |
|---|-------------|-------------|
| | € | € |
| Income tax repayable on qualifying donations for the year | 11,716 | 40,256 |
| | 11,716 | 40,256 |

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Notes to the Financial Statements
For the year ended 31 December 2016

| | | | |
|--|---------------------|-------------------|--------------|
| 4. Fundraising and publicity costs | | 2016 | 2015 |
| | | € | € |
| Fundraising costs | | 42,877 | 68,020 |
| Database processing costs | | 898 | 802 |
| | | <hr/> | <hr/> |
| | | 43,775 | 68,822 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 5. Management and administration of the charity costs | | 2016 | 2015 |
| | | € | € |
| Salaries | | 63,690 | 33,774 |
| Audit fees and company secretarial fees | | 3,710 | 3,710 |
| Bank charges | | 1,169 | 1,371 |
| Bad debts | | 2,000 | - |
| Staff and other expenses | | 9,301 | 3,961 |
| | | <hr/> | <hr/> |
| | | 79,870 | 42,816 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 6. Direct charitable expenditure | | 2016 | 2015 |
| | Unrestricted | Restricted | Total |
| | Funds | Funds | Total |
| | € | € | € |
| General grants: | | | € |
| Fistula Hospital | 12,500 | 37,500 | 50,000 |
| Hope Enterprises | 50,000 | - | 50,000 |
| Cheshire Services Ethiopia | 50,000 | - | 50,000 |
| Forum for Street Children (FSCE) | - | - | - |
| Association for Women's Sanctuary & Development | 30,000 | - | 30,000 |
| Facing Africa | 30,000 | - | 30,000 |
| | <hr/> | <hr/> | <hr/> |
| | 172,500 | 37,500 | 210,000 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| 7. Interest receivable and other income | | 2016 | 2015 |
| | | € | € |
| Bank interest | | - | 36 |
| Art Sale | | - | 20,424 |
| | | <hr/> | <hr/> |
| | | - | 20,460 |
| | | <hr/> <hr/> | <hr/> <hr/> |

Ethiopiaid
Notes to the Financial Statements
For the year ended 31 December 2016

| | | |
|--|-------------------|-------------------|
| 8. Employees | | |
| 8.1. Staff costs | 2016 | 2015 |
| | € | € |
| Wages and salaries | 63,690 | 33,774 |
| | <u> </u> | <u> </u> |
| 8.2. Number of employees | | |
| The average number of employees (including trustees) during the year was two (2015: one) | | |
| 9. Debtors | | |
| | 2016 | 2015 |
| | € | € |
| Income tax refundable | - | 14,380 |
| | <u> </u> | <u> </u> |
| 10. Creditors: amounts falling due within one year | 2016 | 2015 |
| | € | € |
| Trade creditors | 8,028 | 4,200 |
| Accrued expenses | 3,710 | 3,710 |
| Reed Personnel Services Limited | 19,088 | 8,650 |
| Hope Enterprises | 25,000 | - |
| Association for Women's Sanctuary and Development | 15,000 | - |
| Credit card | - | 25 |
| | <u> </u> | <u> </u> |
| | 70,826 | 16,585 |
| | <u> </u> | <u> </u> |
| 11. Reconciliation of net incoming resources to net cash inflow / (outflow) from operating activities | 2016 | 2015 |
| | € | € |
| Net incoming resources | 18,873 | 43,579 |
| Decrease / (Increase) in debtors | 14,380 | (14,380) |
| Increase / (Decrease) in creditors | 54,267 | (43,468) |
| | <u> </u> | <u> </u> |
| Net cash inflow / (outflow) from operating activities | 87,520 | (14,269) |
| | <u> </u> | <u> </u> |

Ethiopiaid
Notes to the Financial Statements
For the year ended 31 December 2016

| | | |
|---|------------------|------------------|
| 12. Analysis of changes in cash and cash equivalents during the year | 2016 € | 2015 € |
| Balance as at 1 January 2016 | 236,343 | 250,610 |
| Net cash inflow / outflow | 87,520 | (14,267) |
| | 323,863 | 236,343 |
| | 323,863 | 236,343 |

13. Related party disclosures

The following related party transactions occurred during the year:

Donations

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

Expenses

Reed Personnel Services Limited pays two employees on behalf of Ethiopiaid. The cost of these employees including taxes is €63,690 (2015: €33,774). As at 31 December 2016, Ethiopiaid owes Reed Personnel Services Limited €19,088 (2015: €8,650).

| | | | | |
|----------------------------------|---------------------------------------|---|----------------------------------|----------------------------------|
| 14. Reserves | 2016 Restricted € | 2016 Unrestricted € | 2016 Total € | 2015 Total € |
| At 1 January 2016 (as re-stated) | 40,000 | 194,163 | 234,163 | 190,584 |
| Retained surplus for the year | - | 18,873 | 18,873 | 43,579 |
| | 40,000 | 213,036 | 253,036 | 234,163 |
| | 40,000 | 213,036 | 253,036 | 234,163 |

In 2015, the Restricted Reserves were incorrectly overstated by €20,424 and the Unrestricted Reserves were understated by the same amount. The opening balances as at 1 January 2016 have been re-stated to correct the position.. The Total Reserves as at 1 January 2016 of €234,163 are unchanged.

15. Other services provided by the auditors

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

16. Approval of financial statements

The financial statements were approved and authorised for issue by the board on 26 September 2017.