

AIDS Partnership with Africa
(A company limited by guarantee
and not having a share capital)

Reports and Financial Statements
for the year ended
31 December 2011

AIDS PARTNERSHIP WITH AFRICA
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

CONTENTS

| | PAGE |
|--|-------------|
| DIRECTORS AND OTHER INFORMATION | 2 |
| DIRECTORS' REPORT | 3 - 4 |
| STATEMENT OF DIRECTORS' RESPONSIBILITIES | 5 |
| INDEPENDENT AUDITORS' REPORT | 6 - 7 |
| STATEMENT OF ACCOUNTING POLICIES | 8 |
| INCOME AND EXPENDITURE ACCOUNT | 9 |
| BALANCE SHEET | 10 |
| CASHFLOW STATEMENT | 11 |
| NOTES TO THE FINANCIAL STATEMENTS | 12 - 14 |
| SUPPLEMENTARY INFORMATION | 16 - 18 |

AIDS PARTNERSHIP WITH AFRICA

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Owen Lambert
Marguerite Brady
Conor Canavan
Emily Brady
Donal MacDonald
Marian Lambert
Andrew O'Callaghan
Cormac Kavanagh (Appointed 11/05/2011)
Jacinta Whelan (Appointed 11/05/2011)
Conor Devine (Appointed 11/05/2011)
John Rice (Appointed 11/05/2011)
Kevin Lambert (Appointed 11/05/2011)

**SECRETARY AND
REGISTERED OFFICE**

Conor Canavan
Kimmage Manor
Whitehall Road
Dublin 12

AUDITORS

Deloitte & Touche
Chartered Accountants & Registered Auditors
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

SOLICITORS

Irish Rule of Law International
Room 1301
The Distillery Building
145 – 151 Church Street
Dublin 7

BANKERS

Bank of Ireland
Tinahely
Co. Wicklow

Bank of Ireland
PO Box 23
15 Strand Road
Derry
BT48 7BT

AIDS PARTNERSHIP WITH AFRICA

DIRECTORS' REPORT

The directors present their annual report, together with the financial statements, for the year ended 31 December 2011. As the company does not trade for the acquisition of gain by its members, the directors are of the opinion that the company is exempt from the reporting and disclosure requirements of the Companies (Amendment) Act, 1986.

BACKGROUND

The company was incorporated on 18 June 2003, Reg. No. 372427 and was granted charitable status on the 22 June 2004, Ref: CHY 15814.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was to engage in the relief of poverty, suffering, distress, illness and the provision of financial assistance to people suffering from AIDS in Africa.

The company has supported AIDS projects in North West Ethiopia and in the Bagamoyo District of Tanzania in 2011 reaching the poorest and most vulnerable persons.

In Ireland, the company was proactive in its awareness and educational activities during 2011 – website development focusing on the youth; public awareness re the impact of the AIDS pandemic on human development in Africa through educational materials, media, public events and visits to projects. World Aids Day (WAD) December 1st 2011 was a high point of awareness with the launch of the APA Solidarity Candle at the Mansion House, Dublin, at Galway and at Derry. In addition over 300 Post Primary Schools and a number of Primary Schools throughout the country were invited to mark WAD in their schools in solidarity with children affected by the pandemic

Volunteer supporters are being provided with additional backup and guidance in the management of their local events, fundraising activities and in promoting public awareness on human development issues and information on the APA activities in Ethiopia and Tanzania where the organisation's projects are located.

RISKS AND UNCERTAINTIES

The recession has had a significant impact on the ability of the public and government to provide financial support towards the work of charities such as AIDS Partnership with Africa.

In common with other charities, whether having a local or international focus, AIDS Partnership with Africa has seen its fundraising efforts being challenged but its income increased slightly during 2011 compared to 2010. The directors have continued to take measures to reduce expenditure on projects supported, on staff and on overheads during 2011.

The board is confident that planned expenditure reductions along with strong fundraising activities, sponsorship support and the approved Irish Aid three year co-funding will continue to generate adequate funding to meet its commitments. The directors expect the organisation to realise a surplus again at the end of 2012.

The Internal Audit Financial Committee of the Company will closely monitor the income generated against the impact of the recession and provide timely recommendations to the board for any interventions it considers necessary.

The Board Review Sessions are extended quarterly meetings which focus on risk management, realisation of income and education/awareness and are led by an external facilitator.

RESULTS FOR THE YEAR

The surplus for the year amounted to €77,136 (2010: deficit €127,008).

IRISH AID, VOLUNTEERS, CVM, HOPE AND SPIRITAN CONGREGATION

The directors would like to acknowledge the Irish Aid co-funding of €588,700 approved for 2011 – 2014. The first amount of €195,300 was received from Irish Aid during 2011 for the projects in Ethiopia and Tanzania. The directors also acknowledge the support of the many volunteers, sponsors and individuals, of CVM its main consortia development partner, of HOPE who have entered into agreement with APA since 2008 and the Spiritan Congregation for facilities provided at Kimmage Manor, Dublin 12.

AIDS PARTNERSHIP WITH AFRICA

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE

The directors are committed to the highest standards of corporate governance and are aware that this is the key aspect in ensuring best practice in the operation of the company's activities.

Central to this is the board membership which has the appropriate skills and experience and has an effective executive.

The board has 12 members drawn from a variety of backgrounds and experiences and is responsible for the leadership, strategy and control of the company.

At its quarterly meetings the board is appraised on the activities of the company by the executive and the Internal Audit Financial Committee presents on the current financial position.

The board is currently undertaking a review regarding the implications of the adoption of the SORP for charities in response to a request from Irish Aid, our principal donor.

INTERNAL CONTROLS

The board has established procedures of compliance which addresses the board's wider responsibilities -to maintain, review and report on internal controls, especially all financial operations.

The company has policies and procedures in relation to the receipt, recording and control of all income received.

The Internal Audit Financial Committee reports directly to the board on all aspects of controls and risks.

A detailed budget is prepared, reviewed and approved annually by the board. The budgeted expenditure is monitored to ensure alignment with plans and with financial resources available.

POST BALANCE SHEET EVENTS

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

DIRECTORS

The directors and secretary who served the company during the year are listed on page 2.

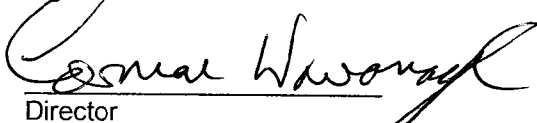
BOOKS OF ACCOUNT


To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's premises at Kimmage Manor, Whitehall Road, Dublin 12.

AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Signed on behalf of the Board:


Director


Director

Date: 29/5/2012

AIDS PARTNERSHIP WITH AFRICA

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of 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; 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 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 that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2009. 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AIDS PARTNERSHIP WITH AFRICA
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**

We have audited the financial statements of Aids Partnership with Africa for the year ended 31 December 2011 which comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

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

The directors are responsible for preparing the financial statements, as set out in the Statement of Directors' Responsibilities, in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility, as independent auditor, is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (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 in Ireland, and are properly prepared in accordance with Irish statute comprising 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 purpose of our audit and whether the company's balance sheet and income and expenditure account are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed 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. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board except that the scope of our work was limited as explained below. 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 evaluated the overall adequacy of the presentation of information in the financial statements.

Continued on next page/

/Continued from previous page

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AIDS PARTNERSHIP WITH AFRICA
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**

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 31 December 2011 and of the 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 considered necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet and its income and expenditure account are in agreement with the books of account.

In our opinion the information given in the Directors' Report is consistent with the financial statements.



Kevin Sheehan
For and on behalf of Deloitte & Touche
Chartered Accountants & Registered Auditors
Dublin

Date: *29 May 2012*

AIDS PARTNERSHIP WITH AFRICA

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2009.

ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

INCOME AND REVENUE RECOGNITION

Voluntary income is included in the Income and Expenditure Account on a receipts basis. Other revenue receipts are accounted for in the period in which they are earned.

Grant income is recognised in the period in which it is receivable. Grant income received in advance is included in deferred income and recognised in the relevant period.

FIXED ASSETS

Tangible fixed assets are recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|----------------------|---|------------------------|
| Office equipment | - | 33 1/3 % straight line |
| Collection equipment | - | 20% straight line |

TAXATION

No charge arises due to the fact that the company has obtained charitable status.

FOREIGN CURRENCIES

Revenues and costs arising from transactions denominated in foreign currencies are translated into Euro at the rates of exchange ruling on the date on which the transaction occurred.

Assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling on the balance sheet date. The resulting surpluses or deficits are dealt with in the income and expenditure account.

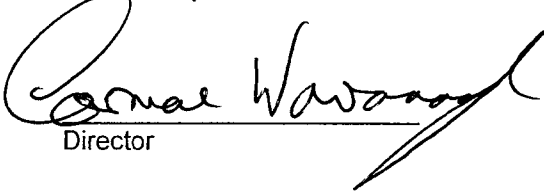
AIDS PARTNERSHIP WITH AFRICA

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | <i>Notes</i> | 2011 € | 2010 € |
|---------------------------------------|--------------|----------------------|-------------------------|
| INCOME | | | |
| Irish Aid | | 16,275 | 177,132 |
| Fundraising | | 80,686 | 74,721 |
| HOPe | | 48,431 | 20,000 |
| Donations | | 19,277 | 17,178 |
| Interest received | | 437 | 103 |
| | | <u>165,106</u> | <u>289,134</u> |
| EXPENDITURE | | | |
| Project support | | 49,710 | 370,560 |
| Quality costs/Education and Awareness | | 20,373 | 22,546 |
| Administrative expenses | | 17,887 | 23,036 |
| | | <u>87,970</u> | <u>416,142</u> |
| SURPLUS/(DEFICIT) FOR THE YEAR | 2 | <u><u>77,136</u></u> | <u><u>(127,008)</u></u> |

There are no recognised gains or losses other than the surplus for the year and all income arises from continuing activities.

The financial statements were approved by the Board of Directors on 29/5/2012 and signed on its behalf by:


Director

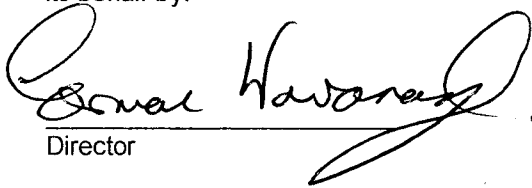

Director


AIDS PARTNERSHIP WITH AFRICA

BALANCE SHEET AS AT 31 DECEMBER 2011

| | Notes | 2011 € | 2010 € |
|---|-------|------------------|---------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | <u>6,497</u> | <u>8,715</u> |
| CURRENT ASSETS | | | |
| Cash at bank and in hand | | 301,298 | 24,939 |
| Debtors | 5 | 417 | 22,346 |
| | | <u>301,715</u> | <u>47,285</u> |
| CREDITORS: (Amounts falling due within one year) | 6 | (183,972) | (8,896) |
| NET CURRENT ASSETS | | <u>117,743</u> | <u>38,389</u> |
| NET ASSETS | | <u>124,240</u> | <u>47,104</u> |
| REPRESENTED BY: | | | |
| Income and expenditure account | 8 | <u>124,240</u> | <u>47,104</u> |

The financial statements were approved by the Board of Directors on 29/5/2012 and signed on its behalf by:


Director


Director

AIDS PARTNERSHIP WITH AFRICA

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | <i>Notes</i> | 2011 € | 2010 € |
|--|-----------------------|-----------------------|------------------------|
| NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | 9 | 276,952 | (75,746) |
| RETURN ON INVESTMENT AND SERVICING OF FINANCE | | | |
| Interest received | | 437 | 103 |
| Additions to tangible fixed assets | | (1,030) | - |
| INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | <u>276,359</u> | <u>(75,643)</u> |
| ANALYSIS OF CHANGES IN NET DEBT | 31/12/2011 | Cashflow | 31/12/2010 |
| | € | € | € |
| Cash at bank and in hand | <u>301,298</u> | <u>276,359</u> | <u>24,939</u> |

AIDS PARTNERSHIP WITH AFRICA

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

| | | |
|---|-------------------|-------------------|
| 1. STAFF NUMBERS AND COSTS | 2011 | 2010 |
| Part-time administration staff | 3 | 3 |
| | <u> </u> | <u> </u> |
| The aggregate payroll costs of these persons were as follows: | € | € |
| Salaries | 7,596 | 7,905 |
| Salaries transferred to project costs | 8,961 | 13,560 |
| Social welfare costs | 946 | 1,992 |
| | <u>17,503</u> | <u>23,457</u> |
| | <u> </u> | <u> </u> |

| | | |
|---|-------------------|-------------------|
| 2. SURPLUS/(DEFICIT) FOR THE YEAR | 2011 | 2010 |
| | € | € |
| The surplus/(deficit) for the year is stated after charging/ (crediting): | | |
| Directors' remuneration and emoluments | - | - |
| Depreciation | 3,248 | 3,816 |
| Auditors' fees | 3,025 | 4,132 |
| Foreign exchange gain | (1,088) | (1,237) |
| | <u> </u> | <u> </u> |

| | | |
|---|-------------------|-------------------|
| Auditors' remuneration disclosure (excluding Value Added Tax) | 2011 | 2010 |
| | € | € |
| - Audit | 2,500 | 3,415 |
| - Tax advisory services | - | - |
| - Other assurance services | - | - |
| - Other non audit services | - | - |
| | <u> </u> | <u> </u> |

3. TAXATION

No charge arises due to the fact that the company has obtained charitable status.

AIDS PARTNERSHIP WITH AFRICA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

| 4. TANGIBLE FIXED ASSETS | Collection Equipment € | Office Equipment € | Total € |
|---|------------------------------|--------------------------|------------------|
| Cost: | | | |
| At 1 January 2011 | 14,525 | 5,748 | 20,273 |
| Additions | - | 1,030 | 1,030 |
| At 31 December 2011 | 14,525 | 6,778 | 21,303 |
| Depreciation: | | | |
| At 1 January 2011 | 5,810 | 5,748 | 11,558 |
| Charge for the year | 2,905 | 343 | 3,248 |
| At 31 December 2011 | 8,715 | 6,091 | 14,806 |
| Net Book Value: | | | |
| At 31 December 2011 | 5,810 | 687 | 6,497 |
| At 31 December 2010 | 8,715 | - | 8,715 |
| 5. DEBTORS: (Amounts falling due within one year) | | 2011 € | 2010 € |
| Interest receivable | | 417 | - |
| Other debtors | | - | 22,346 |
| | | 417 | 22,346 |
| 6. CREDITORS: (Amounts falling due within one year) | | 2011 € | 2010 € |
| Deferred income | | 179,025 | - |
| Trade creditors and accruals | | 3,747 | 7,499 |
| PAYE/ PRSI | | 1,200 | 1,397 |
| | | 183,972 | 8,896 |
| 7. COMMITMENTS | | | |
| Operating leases: | | | |
| At the balance sheet date the company had annual commitments under operating leases as set out below: | | | |
| | | 2011 € | 2010 € |
| Annual facility usage costs payable under operating leases | | - | 1,875 |

AIDS PARTNERSHIP WITH AFRICA

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011**

| 8. INCOME AND EXPENDITURE ACCOUNT | 2011 € | 2010 € |
|-----------------------------------|----------------|---------------|
| Balance at 1 January | 47,104 | 174,112 |
| Surplus/(deficit) for the year | 77,136 | (127,008) |
| Balance at 31 December | <u>124,240</u> | <u>47,104</u> |

| 9. RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO NET CASH INFLOW/OUTFLOW FROM OPERATING ACTIVITIES | 2011 € | 2010 € |
|---|-----------------------|------------------------|
| Surplus/(deficit) for the year | 77,136 | (127,008) |
| Interest income | (437) | (103) |
| Operating surplus/(deficit) | <u>76,699</u> | <u>(127,111)</u> |
| Depreciation charge | 3,248 | 3,816 |
| Decrease in debtors | 21,929 | 186,890 |
| Increase/(decrease) in creditors | 175,076 | (139,341) |
| NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | <u><u>276,952</u></u> | <u><u>(75,746)</u></u> |

10. LEGAL STATUS OF AIDS PARTNERSHIP WITH AFRICA

- (i) In accordance with Section 24 of the Companies Act, 1963, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee, and has no share capital.
- (ii) The company is exempt from the reporting and disclosure requirements of the Companies (Amendment) Act, 1986.

SUPPLEMENTARY INFORMATION

(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

AIDS PARTNERSHIP WITH AFRICA

SUPPLEMENTARY SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

SCHEDULE 1 - INCOME

| | 2011 € | 2010 € |
|------------------------|-----------------------|-----------------------|
| Irish Aid (Schedule 2) | 16,275 | 177,132 |
| HOPe | 48,431 | 20,000 |
| Fundraising | 80,686 | 74,721 |
| Donations | 19,277 | 17,178 |
| Interest earned | 437 | 103 |
| TOTAL INCOME | <u><u>165,106</u></u> | <u><u>289,134</u></u> |

SCHEDULE 2 - IRISH AID INCOME

| | 2011 € | 2010 € |
|------------------------------------|----------------------|-----------------------|
| Received in year | 195,300 | 177,132 |
| Deferred to 2012 | (179,025) | - |
| Per income and expenditure account | <u><u>16,275</u></u> | <u><u>177,132</u></u> |

**AIDS PARTNERSHIP WITH AFRICA
 SUPPLEMENTARY SCHEDULES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2011**

SCHEDULE 3 - EXPENDITURE – PROJECT SUPPORT

| | 2011 € | 2010 € |
|----------------------------|---------------|----------------|
| North/South Gondar Project | 48,431 | 48,737 |
| Monitoring visits | 1,279 | - |
| Amhara Project | - | 38,438 |
| Awi / West Gojam Project | - | 20,000 |
| Bagamoya Project | - | 70,595 |
| Project evaluation costs | - | 192,790 |
| | <u>49,710</u> | <u>370,560</u> |

SCHEDULE 4 - EXPENDITURE – QUALITY COSTS/EDUCATION AND AWARENESS

| | 2011 € | 2010 € |
|----------------------------------|---------------|---------------|
| Education and awareness | 8,975 | 8,320 |
| Promotions and fundraising costs | 11,398 | 14,226 |
| | <u>20,373</u> | <u>22,546</u> |

**AIDS PARTNERSHIP WITH AFRICA
SUPPLEMENTARY SCHEDULES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011**

SCHEDULE 5 - ADMINISTRATIVE EXPENSES

| | 2011 € | 2010 € |
|----------------------------------|---------------|---------------|
| Personnel costs | | |
| Wages and salaries | 8,542 | 9,897 |
| Establishment expenses | | |
| Facility usage costs | - | 1,875 |
| Light and heat | 714 | 936 |
| Insurance | 781 | 769 |
| Repairs and maintenance | 272 | 145 |
| | <u>1,767</u> | <u>3,725</u> |
| General expenses | | |
| Telephone | 335 | 357 |
| Office expenses | 817 | 727 |
| Printing, stationery and postage | 751 | 280 |
| General expenses | 221 | 116 |
| Auditors' remuneration | 3,025 | 5,000 |
| Depreciation | 3,248 | 3,816 |
| | <u>8,397</u> | <u>10,296</u> |
| Financial costs | | |
| Bank charges | 269 | 355 |
| Foreign exchange gain | (1,088) | (1,237) |
| | <u>(819)</u> | <u>(882)</u> |
| | <u>17,887</u> | <u>23,036</u> |