

Financial Statements
31st December 2010

ACTIONAID IRELAND
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2010

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT AND ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010**

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Board of Trustees

Mr. Peter Cassells (Chairperson)
Ms. Teresa Harrington
Ms. Margaret Pilkington
Mr. Fintan Lonergan
Mr. James Beale (ActionAid International representative)
Mr. Rodney Rice

Retired During the Year

Dr. Patrick O'Sullivan
Mr. Kieran McKeown

Bankers

Bank of Ireland
5 Lower O'Connell Street
Dublin 1

Secretary

Olga Mc Donogh

Revenue Commissioners Charity Number

CHY6888

Company's Registered Number

95403

Solicitors

Mc Grath & Mc Grane
Suite 323
Mary's Abbey
Dublin 1

Auditors

Grant Thornton
24-26 City Quay
Dublin 2

Registered Office

16-17 Lower O'Connell Street
Dublin 1



ActionAid Ireland has signed the Dochas Code of Conduct on Images and Messages.

ActionAid Ireland adheres to the Irish Development NGO code of Corporate Governance.

Commitment to Standards in Fundraising Practice

ActionAid Ireland is fully committed to achieving the standards contained within the *Statement of Guiding Principles for Fundraising*.

The *Statement* exists to:

- Improve fundraising practice
- Promote high levels of accountability and transparency by organisations fundraising from the public
- Provide clarity and assurances to donors and prospective donors about the organisations they support.

We ActionAid Ireland have considered the *Statement* and believe we meet the standards it sets out.

We welcome your feedback on our performance.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES

Constitution and Objects

ActionAid Ireland is an Irish charity, registered in 1983 as a company limited by guarantee. Its stated objects are “to promote the relief of poverty and distress in any manner which now or hereafter may be deemed to be charitable by law in any part of the world and for such other ancillary charitable purposes as the Trustees may determine.” It is the Irish affiliate of ActionAid International, which was established in December 2003.

Our Vision

A world without poverty and injustice in which every person enjoys their right to a life of dignity

Our Mission

To work with poor and excluded people to eradicate poverty and injustice

Our Values

Mutual respect requiring us to recognise the innate worth of all people and the value of diversity.

Equity and justice requiring us to work to ensure equal opportunity to everyone, irrespective of race, age, sex, sexual orientation, HIV status, colour, class, ethnicity, disability, location and religion.

Honesty and transparency being accountable at all levels for the effectiveness of our actions and open in our judgments and communications with others.

Solidarity with the poor, powerless and excluded will be the only bias in our commitment to the fight against poverty.

Courage of conviction requiring us to be creative and radical, bold and innovative – without fear of failure – in pursuit of making the greatest possible impact on the causes of poverty.

Independence from any religious or party-political affiliation.

Humility in our presentation and behaviour, recognising that we are part of a wider alliance against poverty.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Structure, Governance and Management

Board of Trustees

ActionAid Ireland is governed by a Board of Trustees whose principal responsibilities are the setting and monitoring of the strategic direction of the organisation, monitoring compliance and the establishment of policy. The Trustees are directors for the purpose of company law. The Board of Trustees meets regularly and delegates the day-to-day operation of the organisation to the CEO and staff. New Trustees join the Board at the invitation of the Board for a fixed period and are chosen to ensure that the Board contains an appropriate balance of experience relevant to the operations of ActionAid Ireland. The ActionAid Ireland Governance manual sets out the key guiding principles for the overall Governance of the organisation. A list of current Trustees is given on page 1. The Annual General Meeting was held on the 24th March 2011.

Staff and Management

There are a total of six staff members in ActionAid Ireland five full-time and one part-time. The Senior Management team comprises the CEO and the Finance, Programme and Marketing Managers. The Supporter Services coordinator is responsible for the administration of all sponsorship records and ensuring timely and efficient communications with our supporters. The office Administrator is responsible for managing the office and for the administration of the tax recovery scheme.

Organisation

The ActionAid Ireland strategy 2007-2011 identifies the main thematic and geographic areas of work for the organization over the five year period. The three thematic areas are Women's Rights, Education and HIV & AIDs. The priority areas of work as outlined in the strategy are Programme, Advocacy, Fundraising, Financial Management and Organizational Development and Governance.

ActionAid Ireland's programme of support to overseas development is focused on six countries in 2010. Kenya and Uganda in Africa and Nepal, Vietnam and Cambodia in Asia received support for programmes funded via child and community sponsorship. The funding received from Irish Aid supported programme work in Kenya, Malawi, Nepal and Vietnam. The programmes in Africa and Asia are managed on a day-to-day basis by the country Directors and staff of each country programme who in turn report to the ActionAid International Africa and Asia Directors respectively.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

ActionAid International

ActionAid Ireland is a founding affiliate of ActionAid International and is represented at the General Assembly by the chairperson of ActionAid Ireland. During 2010 ActionAid Ireland participated in and complied with all ActionAid International processes including annual plans and budgets and regular reporting on progress.

Objectives and Activities

ActionAid Ireland works with the poorest and most disadvantaged people in the world to address the root causes of their poverty and improve the quality of their lives. It seeks to achieve this objective in two main ways:

Firstly, it aims to tackle the causes and effects of poverty by supporting long-term development programmes. Together with ActionAid country programmes and their local partners it works with local communities and organisations in developing countries, helping to ensure access to vital services such as clean water, primary healthcare and education and to encourage local economic development. ActionAid's approach to development is Rights Based and in this context we encourage local people and organisations to be aware of their rights and to lobby to attain these rights.

ActionAid International's work fighting poverty reaches almost 13 million people in Africa, Asia, Latin America and the Caribbean. In 2010, ActionAid Ireland worked in partnership with ActionAid Kenya, ActionAid Uganda, ActionAid Malawi, ActionAid Nepal, ActionAid Vietnam and ActionAid Cambodia.

Secondly, ActionAid seeks to influence the way in which others – especially governments and intergovernmental organisations such as the Irish Government, European Union, World Bank and International Monetary Fund – contribute to or obstruct the process of poverty eradication. This influencing is carried out at local and national level, both in the developing countries where ActionAid operates and in developed countries. It is rooted in ActionAid's experience and understanding of the causes of poverty.

Through its fundraising and information sharing ActionAid Ireland offers its supporters and members of the public direct, practical ways to learn about the causes of poverty and to contribute to its elimination.

Wherever possible ActionAid Ireland works in partnership with other organisations and networks that strive to achieve the same objectives. It is an active member of Dóchas, the umbrella organisation of Irish non-governmental organisations involved in development and relief overseas.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

In 2010 the consortia of organisations which ActionAid Ireland worked with included the Irish Consortium on Gender Based Violence, the Irish Charities Tax Reform Group and Dochas.

Fundraising and Communications

ActionAid Ireland raises funds primarily through the generosity of approximately 9,000 supporters throughout Ireland, most of whom are community or child sponsors of ActionAid International's work in Kenya, Uganda, Nepal, Vietnam and Cambodia. These supporters contribute regularly, usually monthly or annually. Other donations are received from individuals, companies, foundations, employee giving schemes and from fundraising events. ActionAid Ireland can also reclaim tax on contributions made by PAYE tax-payers who contribute €250 or more in a tax year.

In addition ActionAid Ireland receives financial support for its work from the Irish Government (through Irish Aid, the development cooperation division of the Department of Foreign Affairs). In 2010 support was received via the Civil Society Fund (CSF) scheme.

Monitoring and Evaluation

The overseas activities supported by ActionAid Ireland are regularly visited by the CEO and staff of ActionAid Ireland. In 2010 the CEO, Programme Manager and three Trustees all carried out monitoring visits to partner country programmes in Kenya, Malawi, Nepal and Vietnam. Much of this work is guided by the organizational framework Accountability, Learning and Planning System (ALPS), a well respected participatory approach to monitoring and evaluation developed by ActionAid International.

Achievements and Performance

Overseas Programme

Review of Developments

In 2010 ActionAid Ireland supported development work in six developing countries. The overseas development work funded by supporters in Ireland via child and community sponsorship focuses on poor communities in five countries two in Africa, Kenya and Uganda and three in Asia Nepal, Vietnam and Cambodia.

The Irish Aid funded programme provides support to a specific four - country programme in Kenya and Malawi in Africa and Nepal and Vietnam in Asia working on Women's rights and Education for minority and ethnic minority groups with HIV & AIDS as a cross cutting issue in all programme work.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Sponsorship

The overseas development work funded by supporters in Ireland via child and community sponsorship focuses on poor communities in five countries two in Africa Kenya (**Malindi, Mandera, Kongelai and Marafa**) and Uganda (**Uganda National Association for the Deaf UNAD and Amuru**) and three in Asia Nepal, (**Bara, Baitadi and supporting women to improve their lives in five areas of Western Nepal**) Vietnam (**Cao Bang and Quan Ba**) and in Cambodia(**Battambang**). The following provides a brief outline of the work and some examples of progress in 2010.

Achievements in sponsorship

The work funded by sponsorship takes place mostly in rural communities where people are very poor and do not have sufficient access to services. There is generally a strong Education component in the work ActionAid supports providing teaching materials such as school books but also providing training for teachers and other supports such as proper sanitation for the schools. Our funding also helps parents to both understand the importance of sending their children to school and encouraging the parents to become involved in helping the school for example by getting involved in the parents committees and the school management committees. ActionAid also provides vital advocacy support helping communities to lobby government and local authorities to provide Education and other basic rights to communities.

In Kenya ActionAid has supported communities in Malindi and Mandera for 12 years and the good news is that the communities are now able to manage the development projects themselves. This means that ActionAid will increase and expand its activities in Kongelai and Marafa in 2011. The following are some examples of the achievements of the work in these two communities:

- In **Mandera** people now have permanent access to clean, fresh water near their homes as a result of constructing 6 water tanks in the area.
- The rights of women and girls have been promoted within the community and to-day women are managing the Takaba water project as well as occupying key leadership roles in the community based institutions.
- The number of girls who have enrolled in school has increased almost twenty fold. Previously girl's enrolment and transition rates to secondary school were very low mainly because of early marriages.
- There are now 13 primary and 3 secondary schools in the area an increase from just 3 primary and 1 secondary twelve years ago.
- The Takaba Health centre has been upgraded to a referral district hospital thus improving people's access to quality healthcare locally.

**ACTIONAID IRELAND
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REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

In **Malindi** the following are just a few of the improvements in the lives of the community:

- The construction of five water projects has reduced the distance people have to travel to collect clean, fresh water from 16Km to an average of between 2km and 4km and benefitting around 15,000 people.
- The construction of a maternity healthcare unit and two HIV&AIDS voluntary testing & counselling centres which serve over 3,500 people and have reduced the distance people have to walk to the nearest health centre from 50km to 2km.
- The women's movement Sauti ya Wanawake now has over 2,000 members. The group's work has included increasing awareness on women's rights in the community, providing information on healthcare and property inheritance to women as well as fighting problems such as domestic violence.

Early in 2011 the ActionAid Ireland sponsors who support work in Mandera will have their sponsorship transferred to Marafa and those sponsoring in Malindi will be transferred to Kongelai.

Throughout 2010 significant progress was made in all the communities supported by sponsorship from Ireland and the following is a sample of some of the achievements:

- In Cambodia in the village of Prey Thom 75 children are able to go to school as a new school was built in the village and two local trained teachers engaged to teach in the school – previously parents were afraid to send their children to school because they were worried about their security as they had to walk very long distances.
- In the village of Anlong Rainy also in Cambodia 60 very poor families received seeds and training in vegetable cultivation which improved their food production, their nutrition greatly improved and they had some food left over to sell.
- 291 villagers in Tropaing Kbal Sva of all age groups received different kinds of vaccinations at the health centre and they also received health care training for the first time.
- In Vietnam in Quan Ba 5,961 children study in 13 primary schools. However, up to 85% of these schools lack basic facilities such as books, pens, desks and other equipment for teaching and learning. Almost all children cannot afford warm clothing or a jacket for school so they often stay at home instead of going to school. ActionAid focuses on trying to ensure the children go to school by providing school jackets, a warm meal and teaching and learning materials.
- Training farmers by providing practical training and books on different farming methods is important work that took place in Cao Bang in Vietnam in 2010. Seven libraries were set up in the community learning centres with 3,000 books provided on keeping livestock and on taking care of local crops as well as books on nutrition and child care. Over 4,000 people have borrowed books since the libraries were set up.

**ACTIONAID IRELAND
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REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

- In Baitadi in Nepal which is one of the most remote areas in the country 3 watermills were constructed for grinding food grain to make flour and these watermills have benefitted over 200 families. Previously all of these families used a traditional stone grinder to make flour by hand which took a long time and now the grinding can be completed within one hour each day.
- A training course on natural resource management was provided to 9 Badi women and 23 Badi men which helped them to understand how they can best utilise and manage the forest owned by the community while allowing the forest to continue to grow for future use.
- In Bara 91 women have started their own businesses after receiving loans from the women's groups. 38 women now have small shops, 32 women are farming vegetables, 11 are selling fish and 10 have small snack shops.
- 67 households in Bara have been able to receive land ownership certificates and are therefore no longer landless. They received their certificate after joining a group set up by ActionAid's partner organisation. The certificate means that the poor farmers will no longer have to share their produce with their landlords and they can now decide how to make the best use of their land.
- In Uganda where the sponsorship from Ireland supports the Uganda Association of the Deaf (UNAD) a total of 56 health workers in Kyaka were trained in sign language communication. Previously, health workers were unable to communicate with the deaf patients at health units and as a result they were unable to diagnose illnesses properly. To-day deaf people are able to access services from the health unit in Kyegegwa with help from nurses who are equipped with sign language skills.
- And finally in Uganda where ActionAid has started working in a new area, Amuru, in 2010 which is supported by sponsorship from Ireland. The initial work has been in Education and improving the existing schools, working with women to help them generate some income for their families and provide information, training and equipment and seeds to improve agriculture.

In 2011 ActionAid Ireland will begin recruiting new sponsors for a new area in Vietnam – Krong Bong in Dak Lak Province.

**ACTIONAID IRELAND
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REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Programme Development Work funded by Irish Aid

The programme funded by the Irish Aid Civil Society Fund (CSF) was implemented from September 2006 to December 2010 in 4 countries -Kenya, Malawi, Nepal and Vietnam - and in 2 main thematic areas (women's rights and education). Some of the main achievements of the programme to-date are as follows:

- In Kenya, CSF funding was used to strengthen the capacity of local women's groups, particularly in rural areas, through provision of training, grants and support in the implementation of women's rights activities. These groups have internalised women's rights issues and have now become effective advocates in their local communities. They identify serious violations of women's and girls' rights, provide support to victims and monitor the legal outcomes of cases, intervening when necessary to ensure that appropriate actions are taken by the police, court personnel, etc.
- In Malawi, CSF funding was used to mobilise women from rural communities in four districts and support their organisation into groups. Many of these women have low levels of literacy and some are illiterate. Capacity building was provided through the programme to facilitate the women to: understand their circumstances from a rights perspective, develop their leadership and organisational skills so that they become effective activists for women's rights at local level. As in Kenya, these groups now support women and girls who have experienced serious rights violations and work with the police and other actors to ensure just outcomes to the cases taken to court.
- The women's rights programme in Nepal focused strongly on HIV and its relationship to violence against women. Direct nutrition support and livelihoods training was provided to groups of HIV positive women and counselling centres were established in 3 districts. The centres now provide counselling, information and referrals in relation to both HIV and violence against women. In addition, local women's groups were given training and supported to engage in sensitisation on these issues at community level. There is still a high level of stigma and discrimination around HIV in Nepal but it was found that starting sensitisation activities with discussions about violence against women/women's rights issues was an effective way of opening up dialogue on HIV at community level.

**ACTIONAID IRELAND
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REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

- The education programme in Vietnam aimed at improving access and quality of education specifically among children from ethnic minority communities. Barriers to education for these groups are significant but the programme has had positive outcomes. The establishment of language classes for pre-school children has reduced drop-out from primary schools as a result of lack of knowledge of Vietnamese. The introduction of student centred teaching methods in pilot primary schools has improved the quality of education and performance and reduced drop-out among ethnic minority children.

The programme funded under the Civil Society Fund (2006-2010) was completed and we hope to commence a new Programme in 2011.

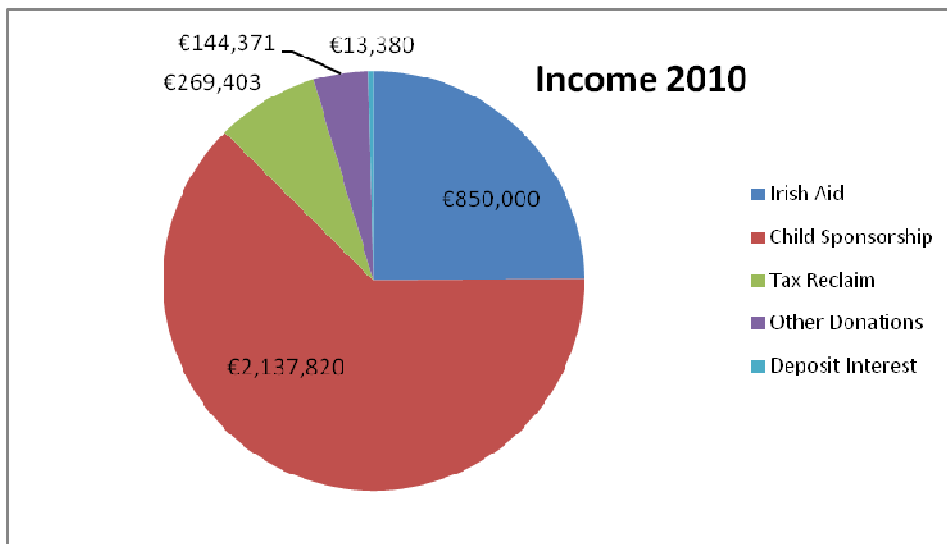
Monitoring and Evaluation

ActionAid Ireland works in partnership with country programmes and monitoring and evaluation of programme activities is agreed jointly. Much of this work is guided by the organizational framework Accountability, Learning and Planning System (ALPS).

Financial Review

Income

ActionAid Ireland receives its income from the following sources – Child Sponsorship, Irish Aid, Revenue tax reclaim, Fundraising Appeals and Bank Interest. In 2010 the total Income for AA Ireland was €3,414,974 compared with €3,452,671 in 2009. Although this was slightly down on the 2009 out turn, it was a good performance considering the very challenging economic climate.



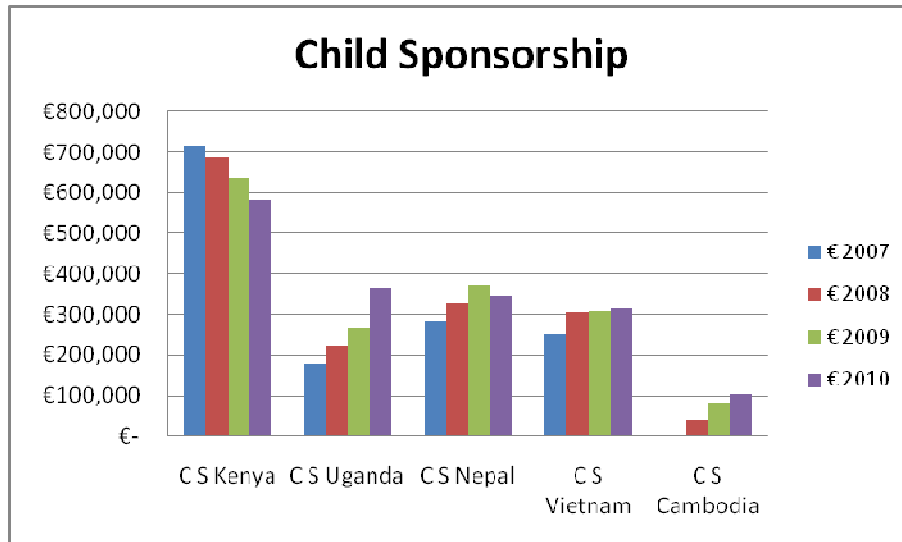
**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Irish Aid

ActionAid Ireland has been in receipt of CSF (Civil Society Fund) funding from Irish Aid since 2006. The original 3 year programme was extended for 16 months from 1st September 2009 until 31st December 2010 with a total budget of €1,700,000, received in two tranches, €850,000 in 2009 and €850,000 in 2010. This allocation took account of the 20% cut in government funding for the overseas aid budget announced in 2009 and passed on to all recipients of Irish Aid funding. It is expected that ActionAid Ireland will begin a new Programme funded by Irish Aid in 2011.

Child Sponsorship income increased from €2,074,842 in 2009 to €2,137, in 2010 an increase of €62,978. This was a very significant achievement considering the deterioration in the economy and the reduction in the level of fundraising investment for recruitment, the full effect of which will probably be felt in 2011.

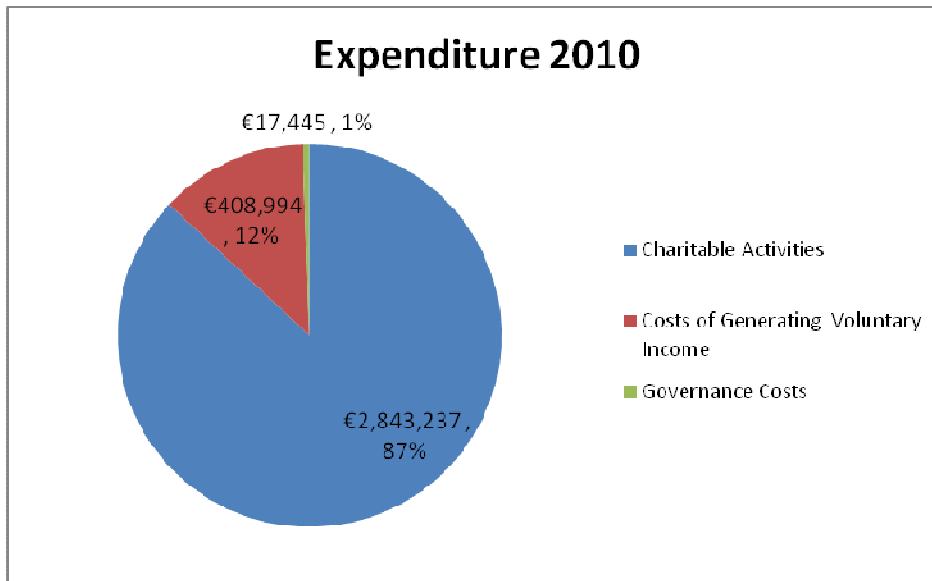


**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Expenditure

In 2010 €2.8m was spent on our overseas programmes. The investment in generating voluntary income was reduced from €641,043 in 2009 to €408,994 in 2010 in order to assist in building Unrestricted Reserves to achieve a level of three months running costs.



Reserves Policy

ActionAid Ireland's policy is to retain sufficient reserves to safeguard the continuity of its operations, whilst committing the maximum possible resources to support work overseas. As stated above we had a deliberate policy in 2010 to achieve Reserves sufficient to cover three months running costs and this was achieved by the end of 2010. Total Reserves at the end of December 2010 were €188,352 of which Unrestricted Reserves were €144,771. The total of €43,581 remaining from the restricted Reserves relates mainly to receipts from the Christmas Appeal for funding a school in Uganda which will be transferred early in 2011.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE BOARD OF TRUSTEES – CONTINUED...

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and 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 in Ireland and promulgated by the Institute of Chartered Accountants in Ireland.

Company law requires the Trustees 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 these financial statements, the Trustees are required to

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

The Trustees are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2006. 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.

Books of Account

The Board of Trustees is responsible for maintaining proper books and records. The books and records are maintained at Unity Building, 16-17 Lower O'Connell Street, Dublin 1.

Auditors

The company's auditors, Grant Thornton, will continue in office in accordance with section 160(2) of the Companies Act 1963.

On behalf of the Board of Trustees

Trustee: Teresa Harrington

Trustee: Peter Cassells

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTIONAID IRELAND
YEAR ENDED 31 DECEMBER 2010**

We have audited the financial statements of Actionaid Ireland for the year ended 31 December 2010, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Charity'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 Charity'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 the law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As described in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility 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 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 Trustees' 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 financial statements are in agreement with the books of account.

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

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

Basis of 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 Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTIONAID IRELAND
YEAR ENDED 31 DECEMBER 2010**

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 Charity's affairs as at 31 December 2010 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Charity. The financial statements are in agreement with the books of account.

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

24 - 26 City Quay
Dublin 2
Ireland

GRANT THORNTON
Chartered Accountants
& Registered Auditors

23 March 2011

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2010**

<u>Incoming resources</u>	Notes	Restricted	Unrestricted	2010 Total	2009 Total
Incoming resources from generated funds		€	€	€	€
- Voluntary income					
- Irish Aid	2a	801,887	48,113	850,000	850,000
-Community and child sponsorship	2b	1,710,256	427,564	2,137,820	2,074,842
-Tax relief	2c		269,403	269,403	296,665
-Other donations	2d	83,219	61,152	144,371	205,834
- Investment income					
- Deposit interest			13,380	13,380	25,330
Total income resources		<u>2,595,362</u>	<u>819,612</u>	<u>3,414,974</u>	<u>3,452,671</u>
Resources expended					
Costs of generating funds					
- Costs of generating voluntary income	3		408,994	408,994	641,043
Charitable activities					
-Overseas programme expenditure	4	2,573,511		2,573,511	2,679,279
-Overseas support costs	5		262,558	262,558	227,080
-Influencing, education and research	6		5,950	5,950	7,490
Governance costs	7		17,445	17,445	17,441
Total resources expended in the year		<u>2,573,511</u>	<u>694,947</u>	<u>3,268,458</u>	<u>3,572,333</u>
Net incoming (outgoing) resources		21,851	124,665	146,516	(119,662)
Fund balances brought forward at 1 st Jan 2010		21,730	20,106	41,836	161,498
Fund balances carried forward at 31 st Dec 2010		<u>43,581</u>	<u>144,771</u>	<u>188,352</u>	<u>41,836</u>

All of the activities of the company are classed as continuing.
The company has no recognised gains or losses other than the results for the period as set out above.

These financial statements were approved by the directors on 22 March 2011 and are signed on their behalf by:

Trustee: Peter Cassells

Trustee: Teresa Harrington

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET
AS AT 31 DECEMBER 2010**

		2010	2009
	Notes	€	€
TANGIBLE FIXED ASSETS	11	72,772	53,661
CURRENT ASSETS			
Debtors and prepayments	12	2,849	4,402
Cash at bank and on deposit		<u>565,013</u>	<u>461,730</u>
		567,862	466,132
CREDITORS (amounts falling due within one year)	13	<u>(452,282)</u>	<u>(477,957)</u>
Net current assets	-	<u>115,580</u>	<u>(11,825)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>188,352</u>	<u>41,836</u>
NET ASSETS REPRESENTED BY:-			
Restricted Funds	16	43,581	21,730
Unrestricted Funds	16	<u>144,771</u>	<u>20,106</u>
Total charity funds		<u>188,352</u>	<u>41,836</u>

These financial statements were approved by the directors on 22 March 2011 and are signed on their behalf by:

Trustee: Peter Cassells

Trustee: Teresa Harrington

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**CASH FLOW STATEMENT
FOR YEAR ENDED 31 DECEMBER 2010**

**Reconciliation of net incoming resources to net cash inflow
from operating activities**

		2010	2009
	Notes	€	€
Net (outgoing)/incoming resources		146,516	(120,877)
Depreciation	11	9,218	4,571
Decrease/(increase) in debtors		1,553	(2,243)
Increase / (decrease) in creditors		(25,675)	(862,218)
Interest receivable		<u>(13,380)</u>	<u>(25,330)</u>
Net cash inflow (outflow) from operating activities		<u>118,232</u>	<u>(1,006,097)</u>

Cash flow statement

Net cash inflow (outflow) from operating activities		118,232	(1,006,097)
Purchase of tangible fixed assets		(28,329)	(20,849)
Interest received		<u>13,380</u>	<u>25,330</u>
Net cash inflow (outflow)		<u>103,283</u>	<u>(1,001,616)</u>

Reconciliation of net cash flow to
movement in cash at bank

Cash at bank 1 January	17	461,730	1,463,346
Cash at bank 31 December	17	<u>565,013</u>	<u>461,730</u>
Increase (decrease) in cash	17	<u>103,283</u>	<u>(1,001,616)</u>

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

ACCOUNTING POLICIES

1 (a) Principles of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historic cost convention and comply with the financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland. The financial statements have also been prepared to comply with "Accounting and Reporting by Charities" (Charities SORP), the revised statement of recommended practice issued by the Accounting Standards Board in 2000 and the Accounting Standards Board "Statement on Update Bulletin 1 of the Charities SORP" issued in December 2005.

1 (b) Sponsorship

The principal component of ActionAid Ireland's income is regular, usually monthly, donations from individuals, families and others in Ireland. Most of these supporters are linked to one or more children or communities in ActionAid Ireland's programmes and receive regular information about that child / community and about ActionAid Ireland's development work in the area in which the child / community resides and an annual report.

In 2010, 80% of an ActionAid Ireland's supporter's donations were credited to restricted funds relating primarily to work in the project area where the sponsored child/community lives. 20% was taken to unrestricted funds and associated overheads and was used for the Charity's general charitable purposes.

1 (c) Incoming Resources

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.

1 (d) Resources expended

Expenditure has been analysed between cost of generating funds, charities activities and governance costs.

The costs of each activity have been separately accumulated and analysed according to the major cost drivers.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

1 (e) Restricted Funds

Restricted funds consist of grants and donations received which can only be used for the purpose for which they are specified by the donors. These purposes are the aim of the charity.

1 (f) Unrestricted Funds

Unrestricted funds consist of grants and donations which the charity can spend based on its own discretion to enable it to achieve its overall aim and objectives.

1 (g) Tangible Fixed Assets

Tangible fixed assets are stated at cost.

Depreciation is provided at rates calculated to write off the cost of each asset, less estimated residual value, on a straight line basis over its expected useful life at the following annual rates.

Leasehold improvements	10% Straight line
Office Equipment	10% Reducing balance
Data Base	25% Straight Line
Leased Equipment	Period of lease

1 (h) Taxation

No charge to taxation arises as the company is exempt under Section 207 and 208 of the Taxes Consolidation Act 1997.

1 (i) Pension

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1 (j) Tax relief income

Tax relief income is recognised on a cash receipts basis.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

	Restricted	Unrestricted	2010 Total	2009 Total
	€	€	€	€
2a VOLUNTARY INCOME				
- Irish Aid				
Block Grant (Civil Society Funding)				
ActionAid Kenya	150,000		150,000	150,000
ActionAid Malawi	127,500		127,500	127,500
ActionAid Nepal	199,750		199,750	199,750
ActionAid Vietnam	253,000		253,000	253,000
Project Administration	71,637		71,637	71,637
ActionAid Ireland		48,113	48,113	48,113
	----- <u>801,887</u>	----- <u>48,113</u>	----- <u>850,000</u>	----- <u>850,000</u>
	Restricted	Unrestricted	2010 Total	2009 Total
	€	€	€	€
2b VOLUNTARY INCOME				
- Community and child sponsorship				
Community and child sponsorship	<u>1,710,256</u>	<u>427,564</u>	<u>2,137,820</u>	<u>2,074,842</u>
2c VOLUNTARY INCOME				
- Tax relief				
Tax relief on designated charities (Section 848A TCA 1998)		<u>269,403</u>	<u>269,403</u>	<u>296,665</u>
		<u>269,403</u>	<u>269,403</u>	<u>296,665</u>

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

2d VOLUNTARY INCOME	Restricted	Unrestricted	2010 Total	2009 Total
	€	€	€	€
Other donations				
One Foundation				70,114
Other donors	83,219	37,152	120,371	110,720
Children Direct	<u>0</u>	<u>24,000</u>	<u>24,000</u>	<u>25,000</u>
	<u>83,219</u>	<u>61,152</u>	<u>144,371</u>	<u>205,834</u>
			2010 Total	2009 Total
	Restricted	Unrestricted	€	€
3 COSTS OF GENERATING FUNDS	€	€	€	€
- Fundraising, promotion and advertising				
Advertising and promotion		283,025	283,025	509,459
Office costs				
Salaries		<u>125,969</u>	<u>125,969</u>	<u>131,584</u>
		<u>408,994</u>	<u>408,994</u>	<u>641,043</u>
			2010 Total	2009 Total
	Restricted	Unrestricted	€	€
4 CHARITABLE ACTIVITIES	€	€	€	€
- Overseas programme expenditure				
Community and child sponsorship				
ActionAid Kenya	584,294		584,294	635,385
ActionAid Uganda	362,790		362,790	265,072
ActionAid Nepal	347,067		347,067	370,772
ActionAid Vietnam	312,567		312,567	306,539
ActionAid Cambodia	103,415		103,415	82,103
Irish Aid				
ActionAid Kenya	150,000		150,000	150,000
ActionAid Malawi	127,500		127,500	127,500
ActionAid Nepal	199,750		199,750	199,750
ActionAid Vietnam	253,000		253,000	253,000
Other donations				
Uganda Appeal	23,913		23,913	46,123
Other Donation Vietnam	740		740	-
Other Donation Kenya				20,000
Kamaiya Appeal	17,415		17,415	21,769
Emergency Appeals	9,060		9,060	-
One Foundation				
ActionAid Vietnam			-	70,114
Irish Aid				
Salaries	62,713		62,713	79,337
Overseas travel	15,451		15,451	24,851
Irish Aid expenditure	3,836		3,836	26,964
	<u>2,573,511</u>		<u>2,573,511</u>	<u>2,679,279</u>

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

	Restricted	Unrestricted	2010 Total	2009 Total
5 CHARITABLE ACTIVITES	€	€	€	€
- Support costs				
Travel		6,659	6,659	9,648
Office costs		78,246	78,246	48,130
Salaries		<u>177,653</u>	<u>177,653</u>	<u>169,302</u>
		<u>262,558</u>	<u>262,558</u>	<u>227,080</u>
			2010 Total	2009 Total
6 CHARITABLE ACTIVITES	€	€	€	€
- Influencing, education and research				
Membership / Other Costs		5,950	5,950	7,490
		<u>5,950</u>	<u>5,950</u>	<u>7,490</u>
			2010 Total	2009 Total
7 GOVERNANCE COSTS	€	€	€	€
Office costs		193	193	687
Travel		6,924	6,924	6,348
Professional fees		<u>10,328</u>	<u>10,328</u>	<u>10,406</u>
		<u>17,445</u>	<u>17,445</u>	<u>17,441</u>
			2010 Total	2009 Total
8 RESULTS (stated after charging)			€	€
Auditors' remuneration			10,285	9,680
Depreciation			<u>9,218</u>	<u>4,571</u>

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

9 PARTICULARS OF EMPLOYEES

	2010	2009
The average number of employees throughout the year was:		
Management	1	1
Finance manager	1	1
Programme manager	0	1
Fundraising	2	2
Administration and project support	<u>1</u>	<u>1</u>
	<u>5</u>	<u>6</u>
Total remuneration of employees (full time and part time) was:		
	€	€
Wages and salaries	295,520	304,771
Social welfare costs	19,969	27,795
Pension costs	<u>50,846</u>	<u>47,656</u>
	<u>366,335</u>	<u>380,222</u>

Salary range

	2010	2009
	No of employees	No of employees
€60,000 - €70,000	1	2
	===	=====

Remuneration includes salary and social security costs but excludes employer pension scheme contributions.

10 TRUSTEES' REMUNERATION

No remuneration is paid to Trustees for their services as Board Members. Directly incurred expenses are reimbursed, if claimed.

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

11	TANGIBLE FIXED ASSETS					
	Leased Equipment	Leasehold Improvements	Office Equipment	Data Base	Total	
	€	€	€	€	€	
	Cost					
	At 1 January 2010	0	6,153	168,845	12,524	187,522
	Additions			109	28,220	28,329
	Disposals		(6,153)	(126,272)	-	(132,425)
	At 31 December 2010	-----	-----	-----	-----	-----
			-	42,682	40,744	83,426
	Depreciation					
	At 1 January 2010	0	6,153	127,708	0	133,861
	Provision for year			4,125	5,093	9,218
	Disposals		(6,153)	(126,272)		(132,425)
	At 31 December 2010	-----	-----	-----	-----	-----
			-	5,561	5,093	10,654
	Net Book Value 31/12/2010	- =====	- =====	37,121 =====	35,651 =====	72,772 =====
	Net Book Value 31/12/2009	- =====	- =====	41,137 =====	12,524 =====	53,661 =====

12	DEBTORS	
	2010	2009
	€	€
	Other debtors	
	<u>2,849</u>	<u>4,402</u>
	<u>2,849</u>	<u>4,402</u>

All debtors are receivable within one year.

13	CREDITORS	
	2010	2009
	Amounts falling due within one year	
	€	€
	Accruals and deferred income	
	22,789	18,726
	Amounts payable to overseas programmes	
	418,188	431,190
	PAYE/PRSI	
	4,671	6,200
	Trade creditors	
	<u>6,634</u>	<u>21,841</u>
	<u>452,282</u>	<u>477,957</u>

**ACTIONAID IRELAND
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE ACCOUNTS
FOR YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

14 PENSION SCHEME

The company operates a defined contribution scheme for permanent employees. Employer contributions for the year amounted to €50,846 (2009: €50,020).

15 CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date.

16 MOVEMENT IN FUNDS

	1 January 2010	Movement	31 December 2010
	€	€	€
Restricted fund	21,730	21,851	43,581
Unrestricted fund	20,106	124,665	144,771
	<u>41,836</u>	<u>146,516</u>	<u>188,352</u>

17 ANALYSIS OF CHANGES IN NET DEBT

	1 January 2010	Cashflow	31 December 2010
	€	€	€
Cash at bank	461,730	103,283	565,013
	<u>=====</u>	<u>=====</u>	<u>=====</u>

18 RELATED PARTY TRANSACTIONS

There were no related party transactions in the year that require to be disclosed under FRS 8.

19 CONTROLLING PARTY

The company is controlled by the board of trustees however the trustees do not derive economic benefit from the company.

20 APPROVAL OF ACCOUNTS

The Board of Trustees approved the accounts on 22 March 2011.

