

**Amawele Limited**

(a company limited by guarantee and not having a share capital)

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**Reports & financial statements for the  
year ended 31 December 2011**

**Registered number 434371**

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**Index to the financial statements for the year ended 31 December 2011**

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**The following pages do not form part of the statutory financial statements.  
They are for management purposes only.**

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**Amawele Childcare Services Limited** (a company limited by guarantee and not having a share capital)

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**Schedule of directors and other information**

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<b>Directors</b>	Ronan King Aoife Gormley Deirdre Soffe Daire Coffey Mark Fitzgerald John Clarke Brendan Lenihan Joseph O'Toole
<b>Secretary</b>	Ronan King
<b>Registered office</b>	1 Ballyroan Road Templeogue Dublin 16 Ireland
<b>Auditors</b>	KSA Shiels & Co. Chartered Accountants Hall Street Kingscourt Co. Cavan Ireland
<b>Bankers</b>	Allied Irish Bank Capel Street Dublin 1 Ireland
<b>Registered number</b>	434371
<b>Principal place of business</b>	1 Ballyroan Road Templeogue Dublin 16 Ireland

## **Amawele Limited** (a company limited by guarantee and not having a share capital)

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### **Directors' report**

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#### **In respect of the financial statements for the year ended 31 December 2011**

The directors herewith present their report together with the audited financial statements for the year ended 31 December 2011.

#### **Principal activities, business review and future developments**

The principal activity of the company is to benefit young people in primary and secondary education in Ireland and South Africa through the development of support and twinning partnerships between schools and communities in Ireland and schools and communities in South Africa.

The directors believe that they can increase the turnover of the company in the coming year by attracting new donors. The company is a registered charity and was granted an exemption by the Revenue Commissioners from Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax.

#### **Results and dividends**

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Profit for the financial year amounted to	1,315
Retained profit for the financial year	1,315
Profit and loss account at beginning of year	(12,214)
Reserve movements	<u>-</u>
Profit and loss account at end of year	<u>(10,899)</u>

The directors express their disappointment at the results for the year. The directors are confident that this performance can be improved in the coming year.

#### **Books of account**

The measures taken by the directors to ensure compliance with the requirements of Section 202 Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at 1 Ballyroan Road, Templeogue, Dublin 16, Ireland.

#### **Events since the year end**

There have been no significant events since the year end which would affect the company.

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Directors' report (continued...)**

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**Future developments**

The directors are not considering any major developments for the company since the year end.

**Principal risks and uncertainties**

The company operates solely in the Republic of Ireland, and therefore is not subject to currency risks. The company's objective in relation to interest rate management is to minimise the impact of interest rate volatility on interest costs in order to protect recorded profitability. To this end, the company has fixed its debt. The company does not consider the exposure to interest rate fluctuations to be of significant magnitude to warrant the use of derivative financial instruments. In terms of liquidity and cash flow risk, the company's objective is to maintain a balance between the continuity of funding and flexibility through the use of borrowings with a range of maturities. The company's policy is to ensure that sufficient resources are available either from cash balances, cash flows and near cash liquid investments to ensure all obligations can be met when they fall due. To achieve this the company ensures that its liquid investments are in highly rated counterparties and the company limits the maturity of cash balances and borrows the majority of its debt needs under term financing.

**Directors and company secretary's interest in shares**

The company is limited by guarantee and does not have a share capital. The directors therefore have no interest in the shares of the company.

**Auditors**

In accordance with Section 160 (2) of the Companies Act, 1963, the auditors, KSA Shiels & Co., Chartered Accountants, will continue in office.

On behalf of the board

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**Ronan King**  
Director

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**Daire Coffey**  
Director

**27 September 2012**

## **Statement of directors' responsibilities**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

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 profit or loss 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts, 1963 to 2012. 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.

27 September 2012

Independent auditor's report to the members of

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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We have audited the financial statements of the Amawele Limited for the year ended 31 December 2011 which comprise the profit and loss account, balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (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).

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2012. We also report to you whether in our opinion: proper books of account have been kept by the Company and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the 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 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 misstatements within it.

## **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, 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.

## **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 its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2012.

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

In our opinion, the information given in the directors' report is consistent with the financial statements.

## **Emphasis of matter – Going concern**

Without qualifying our opinion we draw your attention to note 12 to the financial statements. While the balance sheet currently shows a net asset deficiency as at 31 December 2011 the management and directors have provided sufficient evidence to conclude that they have addressed this issue and that their revenues exceed expenses in 2012. The directors have expressed that they are fully confident that they have sufficient donors in the coming 12 months that will enable the company to continue as a going concern and that they remain committed to support the company.

*KSA Shiels & Co.*

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**KSA Shiels & Co.**  
**Chartered Accountants | Registered Auditors**

**Hall Street**  
**Kingscourt**  
**Co. Cavan**

**27 September 2012**



**Statement of accounting policies for year ended 31 December 2011**

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The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

**Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2012. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

**Tangible fixed assets**

All tangible fixed assets are initially recorded at historic cost. Freehold land and buildings (all non-specialised properties) are revalued on the basis of existing use value, adjusted for the addition of notional directly attributable acquisition costs where material. The revaluation surplus / (deficit) is taken to / (from) the revaluation reserve.

Revaluation gains are recognised in the profit and loss account (after adjustment for subsequent depreciation) to the extent that they reverse revaluation losses on the same assets that were previously recognised in the profit and loss account. All other revaluation gains are recognised in the statement of total recognised gains and losses.

Revaluation losses caused by a clear consumption of economic benefits are recognised in the profit and loss account. Other revaluation losses are recognised in the statement of total recognised gains and losses until the carrying amount reaches its depreciated historical cost. Beyond this the loss is recognised in the profit and loss account, except where the recoverable amount of the asset is greater than its revalued amount. Then the loss is recognised in the statement of total recognised gains and losses to the extent that the recoverable amount is greater than its revalued amount.

Finance costs directly attributable to the construction of freehold buildings are capitalised as part of the cost of these assets. The capitalisation rate used is the weighted average rate of general borrowing outstanding during the period.

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Statement of accounting policies for year ended 31 December 2011 (continued...)**

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**Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset systematically over its expected useful life, as follows:

Fixtures, fittings & equipment	-	5 years
Computer equipment	-	3 years

Assets under construction are not depreciated until they are substantially ready for use.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**Stocks**

Stocks are stated at the lower of cost and net realisable value. In the case of finished goods and work in progress, cost is defined as the aggregate cost of raw material, direct labour and the attributable proportion of direct production overheads. Net realisable value is based on normal selling price, less further costs expected to be incurred to completion and disposal.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the profit and loss account.

**Leased assets**

Tangible fixed assets acquired under finance leases are included in the balance sheet at their equivalent capital value and are depreciated over the shorter of the lease term and their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the profit and loss account on an annuity basis. Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

**Dividends**

The company is limited by guarantee and does not have a share capital. Dividends are not paid out.

**Statement of accounting policies for year ended 31 December 2011 (continued...)**

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**Taxation and deferred taxation**

The yearly charge for taxation is based on the profit for the year and is calculated with reference to the tax rates applying at the balance sheet date. Deferred taxation is calculated on the differences between the company's taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. The full deferred tax effect is recognised on differences between amounts funded and amounts charged to the profit and loss account in relation to pensions and other post retirement benefits. In calculating the amount of deferred tax, discounting is used. {If appropriate - The revaluation of property is not considered to constitute a timing difference as there is no intention to dispose of such property in the foreseeable future.}

**Pensions**

Pension benefits for employees are met by payments to a defined contribution pension fund. Contributions are charged to the profit and loss account in the year in which they fall due. The company also pays an ex-gratia pension to a past director and the estimated present value of the capital cost of this pension has been provided for in full.

**Government grants**

Capital government grants received are shown as deferred income and credited to the profit and loss account by instalments on a basis consistent with the depreciation policy of the relevant assets.

Other grants are credited to the profit and loss account to offset the matching expenditure.

**Turnover**

Turnover represents net sales to customers and excludes Value Added Tax and similar taxes and derives from the provision of goods falling within the company's ordinary activities.

**Finance costs**

Where loans are taken out to fund assets under construction the company capitalises the finance costs relating to the expenditure incurred on the assets during periods in which active development of the asset is taking place.

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Profit & loss account for the year ended 31 December 2011**

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	Notes	2011 €	2010 €
Turnover	1	109,981	128,620
Operating expenses		<u>(106,436)</u>	<u>(160,692)</u>
<b>Operating profit / (loss)</b>		<b>3,545</b>	<b>(32,072)</b>
Interest receivable		7	5
Interest payable		<u>-</u>	<u>-</u>
<b>Profit / (loss) on ordinary activities before depreciation and tax</b>		<b>3,552</b>	<b>(32,067)</b>
Depreciation		<u>(2,237)</u>	<u>(4,829)</u>
<b>Profit / (loss) on ordinary activities before taxation</b>	2	<b>1,315</b>	<b>(36,896)</b>
Taxation	3	-	-
<b>Profit / (loss) on ordinary activities after taxation</b>		<b>1,315</b>	<b>(36,896)</b>

**Statement of revenue reserves**

Revenue reserves at beginning of year	(12,214)	24,682
Profit / (loss) for year	<u>1,315</u>	<u>(36,896)</u>
<b>Revenue reserves at end of year</b>	<b>(10,899)</b>	<b>(12,214)</b>

There are no recognised gains or losses in the financial year other than those dealt with in the profit & loss account. The movement in members' funds is set out in note 8.

On behalf of the board

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**Ronan King**  
Director

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**Daire Coffey**  
Director

**27 September 2012**

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Balance sheet as at 31 December 2011**

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	Notes	2011 €	2010 €
<b>Fixed assets</b>			
Tangible assets	5	1,851	4,088
<b>Current assets</b>			
Debtors & prepayments	6	-	-
Cash at bank and on hand		3,934	28,451
		<u>3,934</u>	<u>28,451</u>
<b>Creditors</b>			
Amounts falling due within one year	7	(16,684)	(44,753)
<b>Working capital / (deficiency)</b>		<u>(12,750)</u>	<u>(16,302)</u>
<b>Total assets less current liabilities</b>		(10,899)	(12,214)
<b>Creditors</b>			
Amounts falling due after more than one year		-	-
<b>Net assets / (liabilities)</b>		<u>(10,899)</u>	<u>(12,214)</u>
<b>Financed by</b>			
Revenue reserves	8	(10,899)	(12,214)
<b>Members funds</b>		<u>(10,899)</u>	<u>12,214</u>

The accompanying notes form an integral part of these financial statements.

On behalf of the board

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**Ronan King**  
Director

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**Daire Coffey**  
Director

27 September 2012

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Cash Flow Statement for the year ended 31 December 2011**

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	Notes	2011 €	2010 €
Net cash flow from operating activities	9	(524)	(27,621)
Returns on investments and servicing of finance	10	(23,993)	34,005
Capital expenditure and financial investment	10	-	(5,104)
<b>Increase / (decrease) in cash in the year</b>		<b>(24,517)</b>	<b>1,280</b>
<b>Reconciliation of net cash flow to movement in net funds / debt for the year ended 31 December 2011</b>			
Increase / (decrease) in cash in the year		(24,517)	1,280
<b>Movement in net debt in the year</b>		(24,517)	1,280
Net funds at 01 January 2011		28,451	27,171
<b>Net funds at 31 December 2011</b>		<b>3,934</b>	<b>28,451</b>

The accompanying notes form an integral part of these financial statements.

**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Notes to the financial statements for the year ended 31 December 2011**

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**Note 1 - Turnover**

All turnover derives from activities in the Republic of Ireland. The analysis of turnover by activity is as follows:

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Fundraising	<u>109,981</u>	<u>128,620</u>

Included in the 2012 income figure above is funding received from Irish Aid (Department of Foreign Affairs) in the amount of €11,000 (2011: €14,000).

**Note 2 - Profit / (loss) on ordinary activities before taxation**

Profit / (loss) on ordinary activities before taxation has been arrived at after charging the following:

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Depreciation	2,237	4,829
Auditors' remuneration	<u>2,368</u>	<u>2,329</u>

**Note 3 – Taxation**

The company is a registered charity (CHY 17616) and has gained exemption from Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax by the Revenue Commissioners under Section 207 of the Taxes Consolidated Act, 1997.

**Note 4 - Average number of employees**

	<b>2011</b>	<b>2010</b>
The average number of employees is as follows;		
Directors	-	-
Employees	<u>2</u>	<u>3</u>
	2	3

The aggregate payroll costs of these persons were as follows:

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Gross salaries	60,998	99,913
Employers PRSI	5,025	7,512
Other pension and insurance costs	<u>2,500</u>	<u>8,926</u>
	<u>68,523</u>	<u>116,351</u>

**Amawele Limited** (a company limited by guarantee and not having a share capital)

**Notes to the financial statements for the year ended 31 December 2011 (continued...)**

**Note 5 – Tangible fixed assets**

	Computer equipment	Fixtures, fittings & equipment	Total
<b>Cost</b>	€	€	€
As at the beginning of the year	21,572	742	22,314
Additions for the year	-	-	-
Disposals in the year	-	-	-
As at the end of the year	21,572	742	22,314
<b>Accumulated depreciation</b>			
As at the beginning of the year	17,782	444	18,226
Charge for the year	2,088	149	2,237
Eliminated on disposals in the year	-	-	-
As at the end of the year	19,870	593	20,463
<b>Net book value</b>			
As at 31 December 2011	1,702	149	1,851
As at 31 December 2010	3,790	298	4,088

**Note 6 – Debtors**

	2011	2010
	€	€
Trade debtors and prepayments	-	-
	-	-

**Note 7 – Creditors** (amounts falling due within one year)

	2011	2010
	€	€
Trade creditors	-	-
Payroll taxes	4,316	8,177
Loan to related party (note 11)	10,000	34,000
Accruals and deferred income	2,368	2,576
	16,684	44,753



**Amawele Limited** (a company limited by guarantee and not having a share capital)

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**Notes to the financial statements for the year ended 31 December 2011 (continued...)**

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**Note 8 – Reconciliation of movement in members' funds**

	<b>Profit &amp; loss account</b>	<b>Total</b>
	<b>€</b>	<b>€</b>
Balance at beginning of year	(12,214)	24,682
Movement during year	1,315	(36,896)
Balance at end of year	(10,899)	(12,214)

**Note 9 – Net cash flow from operating activities**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Operating surplus / (deficit)	1,308	(36,901)
Depreciation of tangible fixed assets	2,237	4,829
Decrease / (increase) in debtors	-	-
(Decrease) / increase in creditors	(4,069)	4,451
	(524)	(27,621)

**Note 10 – Analysis of cash flows for headings netted in Cash flow Statement**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
<b>Returns on investments and servicing of finance</b>		
Loan from related party (note 11)	(24,000)	34,000
Interest received	7	5
	(23,993)	34,005
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	-	(5,104)

**Notes to the financial statements for the year ended 31 December 2011 (continued...)**

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**Note 11 – Related party transactions**

The company rents its business premises at 1 Ballyroan Road, Templeogue, Dublin 16. The company is not charged rent for these premises by Sherry Fitzgerald. Sherry Fitzgerald has been one of the main donors to the company in previous years. Mark Fitzgerald is a director and shareholder of Sherry Fitzgerald and a director of Amawele Limited.

During the year the company received a loan totalling €10,000 from Sherry Fitzgerald (2010: €42,000). This entire €10,000 was outstanding at the year end (2010: €34,000). During the year the company repaid the prior year loan of €34,000.

During the year Amawele provided funds of €4,520 (2010: €12,098) to Amawele South Africa. Amawele South Africa is a related party as they are a company with common directors to Amawele Limited.

Apart from the above disclosures there are no other material related party transactions that would have a material impact on the financial statements.

**Note 12 – Going concern**

The financial statements have been prepared on the going concern basis. The directors acknowledge that the balance sheet of the company shows a net asset deficiency and have taken the appropriate steps to address this in 2012. The directors have produced cash flows that show increases in turnover of the company and that revenues exceed costs in 2012. Other than a related party loan, who has expressed their commitment to the company, no other major liabilities exist.

**Note 13 – Provisions available for small entities**

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

**Note 14 – General**

The financial statements are in respect of the year ended 31 December 2011. All negative figures are shown in parenthesis (). Comparative figures have been regrouped where necessary to conform to present layout.

**Note 15 – Approval of financial statements**

The board of directors approved these financial statements for issue on 27 September 2012.

***The following pages do not form part of the statutory financial statements.  
They are for management purposes only.***

**Amawele Limited** (a company limited by guarantee and not having a share capital)

**Detailed trading and profit & loss account for the year ended 31 December 2011**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Turnover	109,981	128,620
<u>Less operating expenses</u>		
Wages & salaries	60,998	99,913
Employers' PRSI	5,025	7,512
Staff pension costs	1,500	7,276
Staff healthcare	1,000	1,650
South Africa rental costs	7,035	-
South Africa School Development Planning	4,520	12,098
Motor and travelling expenses	13,185	16,467
Stationery, printing and office supplies	161	1,482
Telephone and fax	1,349	2,870
Advertising	460	-
Subscriptions	866	44
Other projects	-	3,743
Professional fees	6,050	182
Computer repairs etc.	-	690
Auditors' remuneration	2,368	2,329
Accountancy & bookkeeping	1,857	-
Bank charges	309	306
Insurance	(247)	247
Sundry costs	-	3,883
	<u>(106,436)</u>	<u>(160,692)</u>
Operating profit / (loss)	3,545	(32,072)
Depreciation	<u>(2,237)</u>	<u>(4,829)</u>
<b>Profit / (loss) on ordinary activities before interest and taxation</b>	<b>1,308</b>	<b>(36,901)</b>