

**2016**

**A-Z Children Company Limited By Guarantee  
T/A Nurture Africa**

**Directors' Report and Financial Statements  
for the Financial Year ended 31 December 2016**

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## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE- DIRECTORS & OTHER INFORMATION

<b>DIRECTORS</b>	Jason Campbell Margaret Fitzgerald Brendan Kean Eoghan O'Neachtain Deirdre Finlay Annabel O'Keefe	
<b>CHAIRMAN</b>	Eoghan O'Neachtain	
<b>SECRETARY</b>	Deirdre Finlay	
<b>TREASURER</b>	Brendan Kean	
<b>CHIEF EXECUTIVE OFFICER</b>	Brian Iredale	
<b>REGISTERED OFFICE</b>	8 Killary Grove, The Donahies Dublin 13.	
<b>BUSINESS ADDRESSES</b>	54 Pembroke Road, Dublin 4, Ireland	Plot 3838, Nansana, Kampala, Uganda.
<b>INDEPENDENT AUDITORS</b>	Deloitte Chartered Accountants & Statutory Audit Firm, Deloitte & Touche House, Earlsfort Terrace, Dublin 2.	
<b>PRINCIPAL BANKERS</b>	Bank of Ireland, 565 Howth Road, Raheny, Dublin 5.	Barclays Ltd, Plot 2/4 Hannington Rd, PO Box 7101, Kampala, Uganda.
<b>SOLICITORS</b>	Muhumuza-Kiiza Advocates, PO Box 29167, Kampala, Uganda.	
<b>REGISTERED NUMBER</b>	366575	
<b>CHARITY NUMBER</b>	CHY15459	

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT**

The directors submit their report together with the audited financial statements for the company for the financial year ended 31 December 2016.

### **PRINCIPAL ACTIVITY AND EXISTENCE OF BRANCHES OUTSIDE OF IRELAND**

The company operates as a charity running humanitarian projects in Uganda. The company is trading as Nurture Africa. A-Z Children's Charity Uganda operates as a branch of the company with a registered office at Plot 3838, Nansana, Kampala, Uganda.

#### **Constitution:**

A-Z Children Company Limited By Guarantee T/A Nurture Africa is a company limited by guarantee. Nurture Africa is a registered charity.

#### **Our Vision:**

"For the most vulnerable children in Uganda to lead productive lives and become positive influences on society".

#### **Our Mission:**

"To nurture the physical and emotional development of children in Uganda who are infected with or affected by HIV, by providing access to healthcare and education".

#### **Our Values:**

Nurture Africa is committed to the following values:-

- **Caring for the most vulnerable in society:**

Every child is entitled to basic human rights as defined in the UN Charter and the freedom to develop to their full potential. We will work to uphold and promote these rights.

- **Being open, honest and non-discriminatory:**

Integrity, honesty and fairness are vital in maintaining trust and confidence with both employees and clients. We will work to maintain an open, transparent and fair culture within our organisation.

- **Placing the client at the centre of our activities:**

In recognising that a child cannot be considered in isolation from its 'home' support structure, we work with the child's whole family to ensure holistic care is achieved.

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **- Valuing, supporting and retaining staff:**

Committed staff are key to achieving our mission and are our most valuable resource. We believe in supporting staff development. We promote multidisciplinary team work and recognise both individual and team contributions.

### **- Ensuring the best use of our resources**

In every activity we make sure that we are getting value for money and that our efforts are effective.

## **KEY ACHIEVEMENTS IN 2016**

### **Health Centre**

- 17,768 vulnerable children provided with primary health care
- 1,145 clients active in HIV care (330 children & 815 adults)
- 4,333 adults and children provided with HIV Counselling and Testing services (362 Tested HIV positive and linked into HIV care)
- 1,132 children immunized
- 1,812 women provided with family planning & cancer screening services
- 302 males were safely circumcised
- 1,481 women provided with comprehensive antenatal and postnatal services
- 31 rape and defilement victims provided with Post Exposure Prophylaxis to minimize risk of contracting HIV
- 152 women provided with elimination of mother to child transmission of HIV / Early Infant Diagnosis services
- 32 exposed infants were discharged HIV negative at 18 months (88 exposed infants are still accessing Early Infant Diagnosis services until 18 months of age)
- 41 disabled children were provided with rehabilitation services

### **Education Enablement**

- 3,499 orphans and vulnerable children received education support through school fees contribution, uniform, stationary and breakfast and lunch in school
- 698 (67%) out of 1,050 who sat Primary School Leaving Exams scored an A or B grade
- 2 school classroom blocks were renovated
- 387 secondary students were supported in improving their education through payment of school fees and guidance counselling

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE- DIRECTORS' REPORT (Continued)**

### **KEY ACHIEVEMENTS IN 2016 (Continued)**

- 97% of the secondary students passed their school year and were promoted to the next grade
- 33 youths completed vocational courses

### **Child Protection**

- 27 cases of rape and defilement were prioritized and heard via camera in Nabweru, Wakiso and Kakiri magistrate courts in Wakiso district and Mubende regional magistrate court
- Two Human Rights Commissions were strengthened through capacity building and review meetings in Wakiso and Mubende Districts
- 2,292 (99% of adolescents who requested information) received comprehensive sexual and reproductive health education from 10 health centers
- 1,099 incidences of child sexual violence related cases were reported with 90 (10%) of the cases followed up and perpetrators prosecuted/concluded
- 332 teachers (163 Males and 169 Females) from 83 primary schools in Wakiso and Mubende districts trained in alternative measures to eliminate corporal punishments and using a referral system for reporting child abuse cases
- Referral system strengthened in 83 primary schools
- 23,452 pupils and 104 Civil Society Organisations trained in reporting, follow up and referral processes related to child protection
- 45 Village Child Protection Committees (VCPC) trained in child rights, handling and reporting cases like defilement, rape and other child related cases
- 32 police officials from 20 police stations trained in sexual health and violence and observing and protecting children's rights
- 20 primary schools eliminated corporal punishment in their schools

### **Community Based Health**

- 150 severely malnourished children were identified and referred by partner health centers to Nurture Africa to access plumpy nut, nutritional supplementation and health education on nutrition and infant feeding.
- 93% of 150 severely malnourished children regained their health as a result of adherence to nutritional supplementation and education on nutrition and infant feeding
- 242 HIV infected women were trained on home gardening and improved agricultural methods

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **KEY ACHIEVEMENTS IN 2016 (Continued)**

- 2 demonstration plots were set up for practical learning purposes
- 37 home gardens and 3 demonstration gardens were established resulting in increased food security, cooking and feeding practices amongst these households
- 94% of 37 HIV infected women who established home gardens are ably accessing 3 meals a day for their families
- 1 training manual was developed on home gardening and improved agricultural methods to ensure the HIV infected women are well equipped with knowledge and skills to maintain and adopt the culture of having food for home consumption

### **Sustainable Livelihoods**

- 360 guardians trained in loan and business management resulting in increased knowledge in businesses, loan management and record keeping
- 344 guardians who received start up loans in 2016 are still maintaining their businesses and with an increased household income from less than €1 profit per week to an average of €2.40 a week
- 92% of 344 guardians who received start up loans in 2016 are ably accessing 3 meals a day for their families and meeting other basic requirements
- 96% of HIV infected women that received loans have running businesses and are contributing to the education needs of their children
- 220 guardians have been able to expand their work by setting up supplementary businesses

### **Water, Sanitation and Hygiene**

- 80 vulnerable households provided with water treatment
- 20 Nurture Africa staff, 45 vulnerable guardians and 258 pupils were trained in hand washing and infection prevention techniques
- 2 Tippy taps were set-up at Nurture Africa health facility
- 1 water harvesting system was established at Nurture Africa Health facility
- 4 female hygiene workshops were conducted in partner schools resulting in 229 adolescent girls being trained in making re-usable sanitary pads

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **KEY ACHIEVEMENTS IN 2016 (Continued)**

#### **Volunteer Project**

- 30 Library outreaches (Reading practices) were conducted to improve the reading skills of 2,595 pupils
- 12 First Aid workshops were conducted in the 5 partner schools reaching 596 pupils
- IT training centre constructed
- 4 spelling and debate competitions conducted In the 4 partner schools
- 8 HIV counselling and testing outreaches were conducted reaching 1,032 clients (21 were found HIV positive and enrolled on Nurture Africa's HIV program)
- 27 home visits to HIV infected households were conducted reaching 113 homes
- 7 partner organizations capacity built with accounting skills

#### **SOCIAL BENEFIT**

Apart from the obvious achievements outlined above, where significant numbers of children are able to access education and primary and HIV/Aids medical care, the society is focused on lasting societal change through the education of teachers and social and health care workers. The charity has been instrumental in championing the rights of women and children. Significant progress has been made in the elimination of corporal punishment, pursuing cases of violence against women and children with the police force and in the courts and the promotion of women as income generators through subsidised lending and business skills training which translates into long term improved outcomes for the children. During 2016 skills training has been expanded with classes being provided for HIV/Aids positive mainly female teenagers in the areas of hairdressing, tailoring, crafts and IT training.



## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **COMPLIANCE**

Nurture Africa complies with the Dochas Code of Conduct on Images and Messages and Comhlamh's Volunteer Charter. Nurture Africa adopts the Dochas and Corporate Governance Association of Ireland's Irish Development NGO Code of Corporate Governance on a comply or explain basis.

Specific agreements are signed between Nurture Africa and donor organisations, outlining the deliverables of the programs and achievement milestones. Monitoring is carried out either by written report or audit to ensure agreed objectives and milestones are achieved. There was no overlap of funding by donors with funds received from Irish Aid. No funding from Irish Aid was used to purchase fixed assets or made in onward payment to other NGO's.

### **RISK STATEMENT**

The major risks to which the charity is exposed, as identified by the directors have been reviewed and systems or processes have been established to manage these risks. The major risk to the charity is the continuing flow of funds from donors/volunteers to carry out its work, particularly the flow of unrestricted funds from volunteers to fund activities which do not attract donor funds. Mitigating actions have been to seek multi year funding agreements from donors to give more cash flow visibility, to expand the volunteer programs to extra rounds in addition to the main summer volunteer round and forming partnerships with educational institutes focusing on specific skills training activities. The scope of some donor agreements has been broadened to fund some administrative costs. Monthly board activities include cash flow management and review of both restricted and unrestricted funds flows and balances. The charity intends to drive towards Self Sustainability and in February 2017 introduced Pay for Services in the clinic based on ability to pay with a small charge for consultation and medication.

### **MONITORING AND EVALUATION**

The CEO, board of directors and volunteer coordinator regularly visit the overseas projects supported by Nurture Africa. During 2016, the CEO and board carried out monitoring visits to Nurture Africa projects in Uganda.

### **FINANCIAL REVIEW**

For 2016 the charity prepared its financial statements in accordance with the formats provided for in Charities SORP (FRS 102). The charity's incoming funds, expenses and reserves are segregated into Restricted and Unrestricted categories. Total Income and Endowments for 2016 amounted to €846,272, a reduction of €362,686 over the prior year. The two major contributors to this reduction are: €180,000, being no grant received from Irish Aid in 2016 and a timing difference in cash receipts from Lessons for Life over the two years of €108,956. Of the 2016 Income and Endowments total, €568,199 (67%) was in the form of restricted funds. The remaining €278,073 was unrestricted. The top 5 sources of Incoming Resources, amounting to 67.5% of the total are the Volunteer Overseas Development Programme (30.3%); Donations in Kind (14.0%); Lessons for Life Foundation (LFL) (10.5%); Addax & Oryx Foundation (6.9%), Nando Piretti Foundation (6.0%).

### **RESULTS AND RETENTION**

The results for the financial year are set out in Statement of Financial Activities on Page 17.

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **LIKELY FUTURE DEVELOPMENTS IN THE BUSINESS**

The directors are confident that the company will continue to grow and meet its annual commitments. As noted in the Risk Statement, during 2017 the Charity will introduce a number of measures designed to improve self sustainability, beginning with the charging for services in the clinic. The most vulnerable will still continue to receive treatment Free of Charge.

### **DIRECTORS**

Nurture Africa is administered by the Board of Directors. No member of the board can be appointed to any salaried position of the company.

Directors receive no remuneration (fees, salaries or pension contributions) for carrying out their duties. New directors receive an induction and training if required or requested. Travel expenses of €1,119 for monitoring visits to Uganda for Directors were paid in 2016. (2015: €1,548 travel expenses).

The directors review the finances and monitor the charitable work in detail at each board meeting. These are held on a regular basis throughout the year. In between meetings, the day-to-day management of the organization is delegated to the Chief Executive Officer and the management team.

### **DIRECTORS AND SECRETARY**

The current Directors and Secretary are shown on Page 3.

The directors, who served at any time during the financial year except as noted, were as follows:

Jason Campbell

Margaret Fitzgerald

Brendan Kean

Eoghan O'Neachtain

Deirdre Finlay

Annabel O'Keeffe (Appointed 5 July 2017)

Angela McEntee (Resigned 14 September 2016)

Secretary: Deirdre Finlay (Appointed 14 September 2016)

Angela McEntee (Resigned 14 September 2016)

### **NURTURE AFRICA'S HUMAN RESOURCES**

Nurture Africa has 63 full time staff in Uganda, 1 full time and 2 part time staff in Ireland.

### **2017 OBJECTIVES AND ACTIVITIES:**

#### **Health Centre**

- Provide primary health services to 20,000 orphans, vulnerable children and their guardians
- Provide HIV services to 1,300 HIV infected children and adults
- Provide 1,000 boys & girls with sexual and reproductive health services
- Provide family planning & cervical cancer screening to 1,000 women
- Provide home based couples counselling to support family care to 400 couples

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **2017 OBJECTIVES AND ACTIVITIES (Continued)**

- Provide ante natal care, postnatal care (including elimination of mother to child transmission of HIV (eMTCT)) to 500 pregnant women/mothers
- Immunize 630 newborn babies
- HIV infected pregnant women to HIV care & retain them in eMTCT
- Carry out HIV Counselling and Testing to 508 key populations
- Provide rehabilitation services to 120 disabled children

#### **Education Enablement**

- Ensure 1,780 vulnerable children receive quality education in primary school through the provision of scholastic materials, nutritional support and career guidance
- Empower the guardians of the 1,780 vulnerable children in the 9 partner schools to know their duty to contribute towards their child's education
- Empower 108 School Management Committee members of 9 partner schools to ensure that all the stakeholders of the schools are engaged to bring lasting changes
- Ensure 537 secondary school students receive quality education through the provision of fees, uniform and career guidance
- Equip 48 adolescent girls with vocational and social enterprise skills in hair dressing, tailoring and IT skills

#### **Child protection**

- 120 Stakeholders educated on how to handle child protection issues
- 4 Sub-Counties child protection structures and referral systems strengthened
- 36 village child protection committees and police facilitated to follow up on rape and Defilement cases and other child abuse related violation cases

#### **Community Based Health**

- Train 230 HIV infected women in home gardens management
- Establish 30 food security gardens at household level
- Identify and provide food supplements to 230 malnourished children
- Train 628 vulnerable guardians in kitchen gardening
- Conduct 4 dialogue meetings at parish levels on nutrition practices

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)**

### **2017 OBJECTIVES AND ACTIVITIES (Continued)**

#### **Sustainable Livelihoods**

- Train and provide loans to 380 vulnerable guardians
- Train 688 guardians of vulnerable children in Village Savings and Loans Association (VSLA) methodology and form 22 VSLA groups
- Distribute VSLA Kits to 22 VSLA Groups
- Link 22 VSLA groups and 688 vulnerable guardians to government agricultural programmes to receive services like training and practices in agronomic practices

#### **Water, Sanitation and Hygiene (WASH)**

- Build 40 locally made water tanks for critically vulnerable households
- Conduct Home Visits by VHTs and water user committees to establish WASH chain in 1,000 households
- Train and sensitize 20 water user's committees, 100 Village Health Team workers and 1,000 vulnerable households on WASH
- Provide water filters and treatment to 1,000 vulnerable households and persons living with HIV

#### **Volunteer Project**

- Conduct 15 library outreaches to 2400 pupils
- Conduct 15 First Aid outreaches to 650 pupils
- Conduct 12 HIV counselling and testing outreaches to 1,000 clients
- Organize 1 debate competition among partner schools to improve students' public speaking skills
- Conduct 35 practical lessons in partner schools
- Deliver 4 cancer educational talks in partner schools to 850 pupils
- Conduct 5 sanitary pads trainings in both primary and secondary partner schools to 980 adolescent girls
- Conduct 6 workshops on corporal punishment to 1,200 pupils
- Conduct 2 workshops on the best practices of teaching methodologies in partner schools to 120 teachers
- Mobilize 50 secondary school boys for Safe Male Circumcision
- Capacity build 7 partner organisations in accounting skills

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE - DIRECTORS' REPORT (Continued)

### FUNDRAISING AND COMMUNICATIONS

Nurture Africa received no financial backing for its programmes from Irish Aid, the Government of Ireland's programme of assistance to Developing countries, during 2016. Grants are also received from companies, foundations and other NGOs to help fund Nurture Africa's programmes. Nurture Africa raises funds through the generosity of the Irish public. Donations are also received from donors who contribute towards our education projects on a monthly basis. These funds are ring-fenced for the educational project. Nurture Africa complies with the sub-sections of Part 7 of the Charities Act 2009 on fundraising and the duties of collectors.

### POST BALANCE SHEET EVENTS.

There have been no significant events since the financial year end.

### GOING CONCERN

The directors have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

### STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- (i) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (ii) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014


### ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the engagement of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The accounting records are maintained at the company's business address.

### AUDITORS.

The auditors, Deloitte, Chartered Accountants and Statutory Audit firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Signed on behalf of the Board:



Eoghan O'Neachtain

Director



Brendan Kean

Director

9/8/2017

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

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

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Irish legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

We have audited the financial statements of A-Z Children Company Limited by Guarantee for the financial year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Reports and Financial Statements for the financial year ended 31 December 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the of the company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

*Continued on next page/*

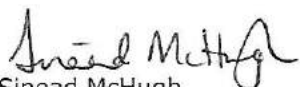
## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

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

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

### **Matters on which we are required to report by exception**

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



Sinead McHugh  
For and on behalf of Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin

Date: 11 August 2017



**A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	<u>Notes</u>	Restricted Funds	Unrestricted Funds	2016 Total	Restricted Funds	Unrestricted Funds	2015 Total
		€	€	€	€	€	€
<b>INCOME and ENDOWMENTS from:</b>	3						
Donations and Legacies		0	269,278	269,278	0	299,513	299,513
Charitable Activities		568,199	6,894	575,093	901,022	6,510	907,532
Other Trading Activities		0	0	0	0	0	0
Investments		0	1,901	1,901	0	1,913	1,913
<b>TOTAL</b>		<b>568,199</b>	<b>278,073</b>	<b>846,272</b>	<b>901,022</b>	<b>307,936</b>	<b>1,208,958</b>
<b>EXPENDITURE on:</b>	5						
Raising Funds		0	29,826	29,826	0	24,741	24,741
Charitable Activities		737,074	248,967	986,041	771,903	249,949	1,021,852
<b>TOTAL EXPENDITURE</b>		<b>737,074</b>	<b>278,793</b>	<b>1,015,867</b>	<b>771,903</b>	<b>274,690</b>	<b>1,046,593</b>
<b>NET (EXPENDITURE)/INCOME BEFORE TAXATION</b>	7	<b>(168,875)</b>	<b>(720)</b>	<b>(169,595)</b>	<b>129,119</b>	<b>33,246</b>	<b>162,365</b>
Taxation	6	0	0	0	0	0	0
<b>NET (EXPENDITURE)/INCOME AFTER TAXATION</b>		<b>(168,875)</b>	<b>(720)</b>	<b>(169,595)</b>	<b>129,119</b>	<b>33,246</b>	<b>162,365</b>
<b>OTHER RECOGNISED (LOSSES)/GAINS</b>							
FX (losses)/gains on foreign operations		(2,261)	(1,010)	(3,271)	8,376	4,283	12,659
<b>NET MOVEMENT in FUNDS</b>		<b>(171,136)</b>	<b>(1,730)</b>	<b>(172,866)</b>	<b>137,495</b>	<b>37,529</b>	<b>175,024</b>
<b>RECONCILIATION OF FUNDS</b>	11						
Total Funds Brought Forward		575,151	337,470	912,621	437,656	299,941	737,597
Total Funds Carried Forward		404,015	335,740	739,755	575,151	337,470	912,621

**A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET as at December 31 2016

		2016		2015	
	Note	€	€	€	€
<b>FIXED ASSETS</b>					
Tangible Fixed Assets	8		<u>545,574</u>		<u>541,331</u>
<b>CURRENT ASSETS</b>					
Debtors & Prepayments	9		26,673		2,167
Cash at Bank and in Hand			<u>194,722</u>		<u>406,248</u>
			221,395		408,415
<b>CURRENT LIABILITIES</b>					
CREDITORS (Amounts Falling Due within one Year)	10		27,214		37,125
<b>NET CURRENT ASSETS</b>					
			<u>194,181</u>		<u>371,290</u>
<b>TOTAL NET ASSETS</b>					
			<u>739,755</u>		<u>912,621</u>
<b>RESERVES</b>					
Restricted Reserves	11	448,794		617,669	
Foreign Currency Reserve – Restricted		(44,779)		(42,518)	
Total Restricted Reserves			<u>404,015</u>		<u>575,151</u>
Unrestricted Reserves		365,649		366,369	
Foreign Currency Reserve – Unrestricted		(29,909)		(28,899)	
Total Unrestricted Reserves			<u>335,740</u>		<u>337,470</u>
<b>TOTAL RESERVES</b>					
			<u>739,755</u>		<u>912,621</u>

The financial statements were approved by the Board of Directors on 9/8/2017 and

Signed on its behalf by:

  
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**Eoghan O'Neachtain**

Director

  
\_\_\_\_\_

**Brendan Kean**

Director

A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016	2015
	€	€
Cash flows from operating activities <span style="float: right;">12</span>		
<i>Net Cash (used in)/provided by operating activities</i>	<u>(171,858)</u>	<u>191,570</u>
<b>Cashflows from Investing activities</b>		
Purchase of property, plant and equipment	(36,397)	(104,889)
<i>Change in cash and cash equivalents in the reporting period</i>	<u>(208,255)</u>	<u>86,681</u>
<i>Cash and cash equivalents at the beginning of the reporting period</i>	406,248	322,552
<i>Change in cash and cash equivalents due to exchange rate movements</i>	<u>(3,271)</u>	<u>(2,985)</u>
<i>Cash and cash equivalents at the end of the reporting period</i>	<u>194,722</u>	<u>406,248</u>

## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

#### **1. ACCOUNTING POLICIES**

##### **General information and basis of accounting**

The significant accounting policies adopted by the company are as follows:

A-Z Children Company Limited by Guarantee T/A Nurture Africa is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is 8 Killary Grove, The Donahies, Dublin 13. The nature of the company's operations and its principal activities are set out in the directors' report on pages 4 to 13.

##### **Format of the financial statements**

The company is constituted under Irish company law as a company limited by guarantee and is a registered charity. In prior years, companies not trading for gain for the members were not within the scope of company law requirements with regard to formats and content of financial statements which applied to for-profit companies, thus permitting the adoption of a format appropriate to a charity.

Accordingly, the company adopted and reported its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) (revised 2005) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales. In particular the company reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The Charity Commission for England and Wales and the Office of the Scottish Charity Regulator are recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK, and the SORP has heretofore been recognised as best practice for financial reporting by charities in Ireland.

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not-for-profit organisation such as A-Z Children Company Limited by Guarantee. Had the Companies Act format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a statement of comprehensive income with related notes showing items such as Turnover and Cost of Sales would have been reported along with a "profit" on ordinary activities before taxation. In the view of the directors this is neither an appropriate presentation nor terminology for a not-for-profit organisation.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the Charity, the company has prepared its financial statements in accordance with the formats provided for in the Charities SORP (FRS102).

##### **Basis of Preparation**

The financial statements have been prepared under the historical cost. The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) and Irish statute comprising the Companies Acts 2014 as applied in accordance with the Statement of Recommended Practice (SORP) (FRS102) "Accounting and Reporting by Charities" as jointly published by the Charity Commission for England and Wales and the office

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

#### Basis of Preparation (continued)

of the Scottish Charity Regulator, who are recognised by the UK Accounting Standards Board (ASB), as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with the SORP 2015 is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate accounting practice and presentation to properly reflect and disclose the activities of the organisation.

The functional currency of the company is considered to be Euro because that is the currency of the primary economic environment in which the company operates.

#### Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Other accounting policies

**Income** - Revenue grants, volunteering income and corporate donations are recognised when the company has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

**Restricted Funds** - Income received by the company, the application of which is restricted to a specific purpose by the donor, is treated as restricted funds and any surplus as restricted assets.

**Unrestricted Funds** - Other income, apart from restricted funds, is used by the company in the furtherance of its work and objectives. Such funds may be held in order to finance working capital or may be used at the discretion of the organisation for specified purposes that are within the aims of the organisation.

**Tangible Fixed Assets and Depreciation** - Tangible fixed assets are stated at cost less depreciation. The charge for depreciation is calculated to write off the cost of tangible fixed assets to their estimated residual values by equal installments over their expected useful lives which are as follows:

Class of Asset	Basis of Depreciation	Estimated Useful Life -Yrs
Buildings/Lease hold Land	Straight Line	50/49
Motor vehicles	Straight Line	4
Furniture & Equipment – Computer & IT, Medical and Miscellaneous	Straight Line	3

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

#### Other accounting policies (continued)

**Tangible Fixed Assets and Depreciation (continued)** - Freehold Land is recorded at historic cost and not depreciated. Buildings under Construction are included under Buildings in the analysis of Tangible Assets and not depreciated until occupancy occurs.

**Foreign Currencies** - The financial statements are stated in Euro. Transactions in foreign currencies during the year have been translated at the rates of exchange ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated to Euro at the rates of exchange ruling at the balance sheet date. The resulting profits and losses are dealt with through the Statement of Financial Activities.

**Operating Leases** - Operating lease costs are charged to the Statement of Financial Activities on a straight line basis.

**Financial Instrument** – Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Impairment of Asset** - Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

#### Other accounting policies (continued)

**Financial Instrument (continued)**– Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

#### 3. INCOME and ENDOWMENTS

Public Donations and similar income from fundraising events are accounted for when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities. However, as amounts collected in this way are outside the control of A-Z Children Limited by Guarantee, they are not included in the financial statements until received by A-Z Children Company Limited by Guarantee. Grant income from operating activities, in furtherance of the charity's objectives, is accounted for on a receivable basis.

A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

**Income and Endowments Breakdown**

	Restricted	Unrestricted	2016 Total	2015 Total
	€	€	€	€
<b>INCOME and ENDOWMENTS from:</b>				
<b>Donations and Legacies</b>				
Volunteering Income	0	256,447	256,447	280,099
Corporate Donations	0	9,000	9,000	2,000
Other Donations	0	3,831	3,831	17,414
<b>TOTAL</b>	<b>0</b>	<b>269,278</b>	<b>269,278</b>	<b>299,513</b>
<b>Charitable Activities</b>				
Irish Aid	0	0	0	180,000
Lessons For Life Foundation	88,632	0	88,632	197,588
Nando Piretti	50,000	0	50,000	29,069
CAFU	21,184	0	21,184	131,227
HIVOS	30,000	0	30,000	79,953
ADDAX & ORYX Foundation	58,041	0	58,041	67,761
Sponsorship for Education	39,065	6,894	45,959	43,403
Donations In Kind	118,825	0	118,825	120,459
Other Donations	162,452	0	162,452	58,072
<b>TOTAL</b>	<b>568,199</b>	<b>6,894</b>	<b>575,093</b>	<b>907,532</b>
<b>Other Trading Activities</b>				
Investments	0	1,901	1,901	1,913
Other	0	0	0	0
<b>TOTAL</b>	<b>568,199</b>	<b>278,073</b>	<b>846,272</b>	<b>1,208,958</b>

Income and Endowments for 2016 include an amount of €118,825 (2015: €120,459), being Donations In Kind (DIK), of which €5,155 is Fixed Assets and €113,670 expenditure, mainly drugs and laboratory consumables. Donations in Kind are included in Income and Endowments at the time of the donation and are valued on the basis of Pro-forma Invoices issued by the donors at the time of donation. For non Euro DIK's conversion is at the prevailing exchange rate as used for processing similarly dated banking transactions.

Domestically Generated Voluntary Income from all sources for 2016 amounted to €376,320 of which €111,079 was from Restricted sources. Acknowledgement is made of support from the following donors/charitable foundations - SEGAL Foundation, IMPACT, CAFU, HIVOS, Izumi Foundation, Friends First, INTO, Electric Aid, and Nando Peretti.



## **A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

#### **4. EXPENDITURE**

Expenditure is analysed between activities in furtherance of the charity's objectives (charitable activities) and the cost of generating voluntary income.

The costs of each activity have been separately accumulated and disclosed. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors. Charitable expenditure comprises all expenditure incurred by the company in meeting its charitable objectives as opposed to the costs of raising funds to finance these activities, or the costs associated with governance. Publicity costs are included under the costs of indirect support costs due to the nature of the costs being linked to the raising of funds in furtherance of the charity's objectives.

Expenditure in project locations overseas is recognised as charitable expenditure of the period in which it occurs.

#### **Expenditure - Charitable Activities**

The costs of Charitable Activities are analysed on the following page for the various programmes. Direct programme costs representing expenditure carried out for specific programmes are charged directly to those programmes. Support costs which cannot be charged directly to a specific programme are allocated based on the amount of time and staff resources consumed by the programme.

Fund-raising costs are shown separately on the Expenditure analysis.

#### **Expenditure Breakdown**

Total Expenditure for 2016 amounted to €1,015,867 (2015: €1,046,593) resulting in a deficit of €169,595 (2015: surplus of €162,365) or approximately 17.0% of Income and Endowments for the year. As noted in Note 3 in the Income and Endowments Section, Expenditure includes Donation in Kind Expenditure of €113,670 (2015: €99,173). The same valuation basis and Exchange Rate treatment is used for Expenditure of Donation in Kind as is used for Income and Endowments. The stock of unused Donation in Kind drugs and laboratory consumables at year end was not material.

A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

5. RESOURCES EXPENDED

Resources Expended – Charitable Activities	Education Program	Child Protection	Community Healthcare Clinic	Fund Raising	Indirect Support Costs	Sustainable Livelihood	Overseas Volunteer Development Project	Youth Program	Total Charitable Activities 2016	Total Charitable Activities 2015
Clinic Supplies – Drugs, Laboratory	0	0	150,501	0	0	0	0	0	150,501	128,156
Clinical Waste Management	0	0	425	0	0	0	0	0	425	417
Mobilisation & Monitoring	202	1,748	0	0	0	9,279	0	1,517	12,746	52,238
Client Costs-transport, training, food	8,916	2,082	29,998	0	0	0	71,436	6,767	119,199	9,616
Telephone/IT	27	50	4,430	0	0	0	29	97	4,633	8,263
Loan Management	0	0	0	0	0	1,028	0	0	1,028	640
School Fees & Materials	127,890	0	0	0	0	0	0	0	127,890	134,951
Book Purchase and Consumables	1,611	0	0	0	0	0	0	0	1,611	0
Building Materials	0	0	0	0	0	0	178	7,203	7,381	12,934
Personnel Costs	44,218	16,084	189,974	22,020	0	2,570	58,163	22,617	355,646	379,397
Travel	292	389	7,850	7,806	7,063	3	6,023	1,582	31,008	84,760
Accommodation	0	0	0	0	0	0	9,896	0	9,896	14,633
Security	0	0	0	0	0	0	1,505	0	1,505	4,280
Staff Development	13	170	598	0	0	0	25	73	879	8,305
Health & Safety	1	4	1,369	0	0	0	123	8	1,505	7,858
General Administration	392	461	8,406	0	0	70	661	1,853	11,843	19,183
Promotion & Marketing Costs	11	32	1,416	0	0	0	7,575	0	9,034	22,582
Facilities & Maintenance Costs	201	373	14,735	0	0	59	1,087	2,052	18,507	15,430
Financial/Legal & Professional Costs	713	930	24,393	0	0	7	1,354	1,954	29,351	33,625
Support Cost Allocation	2,908	4,013	55,047	0	0	582	16,743	6,586	85,879	85,282
Depreciation	2,658	542	29,735	0	0	1,068	354	1,043	35,400	24,043
<b>Programme Total</b>	<b>190,053</b>	<b>26,878</b>	<b>518,877</b>	<b>29,826</b>	<b>7,063</b>	<b>14,666</b>	<b>175,152</b>	<b>53,352</b>	<b>1,015,867</b>	<b>1,046,593</b>

Allocated Support Costs consist of Personnel Costs €27,967, Travel €25,088, Rent €9,728, and General Administration €26,568. Allocation is based on activity levels of the various projects (head count, space occupied and client numbers).

**A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

**6. TAXATION.**

As a result of the company's charitable status, no charge to corporation tax arises under the provision of Section 207 of the Taxes Consolidation Act, 1997.

<b>7. NET (EXPENDITURE)/INCOME BEFORE TAXATION</b>	<b>2016</b>	<b>2015</b>
	€	€
The Net (Expenditure)/Income before Taxation is stated after charging:		
Directors' remuneration	0	0
Depreciation	<u>32,154</u>	<u>20,972</u>
Auditor's remuneration disclosures (net of VAT and outlays):		
Audit	7,621	7,750
Other assurance	0	3,500
Other non-audit services	0	0
	<u>7,621</u>	<u>11,250</u>

**8. TANGIBLE FIXED ASSETS**

In respect of current year 2016

	Freehold /Leasehold Land	Buildings	Motor Vehicles	Furniture & Equipment	Total
Cost at 1 <sup>st</sup> Jan 2016	27,607	478,399	28,129	94,332	628,467
Additions 2016	0	15,261	1,236	19,900	36,397
<b>Cost at 31<sup>st</sup> Dec 2016</b>	<b>27,607</b>	<b>493,660</b>	<b>29,365</b>	<b>114,232</b>	<b>664,864</b>
Depreciation at 1 <sup>st</sup> Jan 2016	2,199	22,109	13,426	49,402	87,136
Charges for 2016	411	8,912	5,181	17,650	32,154
<b>Depreciation at 31<sup>st</sup> Dec 2016</b>	<b>2,610</b>	<b>31,021</b>	<b>18,607</b>	<b>67,052</b>	<b>119,290</b>
<b>Net Book value at 31<sup>st</sup> Dec 2016</b>	<b>24,997</b>	<b>462,639</b>	<b>10,758</b>	<b>47,180</b>	<b>545,574</b>

A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

TANGIBLE FIXED ASSETS (Continued)

In respect of the prior year 2015:

	Freehold /Leasehold Land	Buildings	Motor Vehicles	Furniture & Equipment	Total
Cost at 1 <sup>st</sup> Jan 2015	24,567	422,650	13,155	47,832	508,204
Additions 2015	181	56,625	15,050	48,587	120,443
Disposals and Adjustments	2,859	(876)	(76)	(2,087)	(180)
Cost at 31 <sup>st</sup> Dec 2015	27,607	478,399	28,129	94,332	628,467
Depreciation at 1 <sup>st</sup> Jan 2015	1,759	16,769	7,920	39,716	66,164
Charges for 2015	440	5,340	5,506	9,686	20,972
Disposals	0	0	0	0	0
Depreciation at 31 <sup>st</sup> Dec 2015	2,199	22,109	13,426	49,402	87,136
Net Book value at 31 <sup>st</sup> Dec 2015	25,408	456,290	14,703	44,930	541,331

9. DEBTORS

2016                      2015

€                              €

Community Banks Loan Accounts

26,673                      2,167

26,673                      2,167

10. CREDITORS (Amounts falling due within one year)

2016                      2015

€                              €

Other Creditors & Accruals

14,494                      28,677

PAYE/PRSI payable

12,720                      8,448

27,214                      37,125

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

#### 11. RESERVES

##### RESERVES POLICY

Nurture Africa's policy is to retain sufficient reserves to ensure the ability to continue the operation of its programmes in the event of a delay in the receipt of committed funding or planned funding sources not coming to fruition. Most major donors of Restricted Funds make their grants in advance or against specific milestones and many make multi year commitments. At year-end, total reserves stood at €739,755 (2015: €912,621), of which Cash-in-Hand amounted to €194,722 (2015 €406,248). Restricted reserves are released as the costs for the specific granted projects are incurred. The balance of reserves and Net Assets at year end 2016 is broken down as follows between Restricted and Unrestricted Reserves:

RECONCILIATION OF FUNDS	2016			2015		
	Restricted €	Unrestricted €	Total €	Restricted €	Unrestricted €	Total €
Balance at 1 January 2016	575,151	337,470	912,621	437,656	299,941	737,597
Net (Expenditure)/Income	(168,875)	(720)	(169,595)	129,119	33,246	162,365
Change in FX Reserves	(2,261)	(1,010)	(3,271)	8,376	4,283	12,659
<b>Balance at 31 December 2016</b>	<b>404,015</b>	<b>335,740</b>	<b>739,755</b>	<b>575,151</b>	<b>337,470</b>	<b>912,621</b>
MOVEMENT IN FUNDS	Restricted €	Unrestricted €	Total €	Restricted €	Unrestricted €	Total €
Balance at 1 January 2016	575,151	337,470	912,621	437,656	299,941	737,597
Income	568,199	278,073	846,272	901,022	307,936	1,208,958
Expenditure	(737,074)	(278,793)	(1,015,867)	(771,903)	(274,690)	(1,046,593)
Change in FX Reserves	(2,261)	(1,010)	(3,271)	8,376	4,283	12,659
<b>Balance at 31 December 2016</b>	<b>404,015</b>	<b>335,740</b>	<b>739,755</b>	<b>575,151</b>	<b>337,470</b>	<b>912,621</b>
ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted €	Unrestricted €	Total €	Restricted €	Unrestricted €	Total €
Tangible Fixed Assets	215,453	330,121	545,574	202,530	338,801	541,331
Current Assets	196,962	24,433	221,395	382,657	25,758	408,415
Current Liabilities	(8,400)	(18,814)	(27,214)	(10,036)	(27,069)	(37,125)
<b>Balance at 31 December 2016</b>	<b>404,015</b>	<b>335,740</b>	<b>739,755</b>	<b>575,151</b>	<b>337,470</b>	<b>912,621</b>

A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

12. CASH FLOW INFORMATION

Reconciliation of Net (Expenditure)/Income to net cash from operating activities

	2016	2015
	€	€
<i>Net (Expenditure)/Income for the reporting period (as per the statement of financial activities)</i>	(169,595)	162,635
Adjustments for		
Depreciation Charges	32,154	20,972
(Increase)/Decrease in Debtors	(24,506)	15,322
Decrease in Creditors	(9,911)	(7,359)
<i>Net Cash (used in)/provided by operating activities</i>	<u>(171,858)</u>	<u>191,570</u>

13. OPERATING LEASES

Total future minimum lease payments under non-cancellable operating leases are as follows;

	<u>1 Yr</u>	<u>1-5 Yrs</u>	<u>Over 5 Yrs</u>
	€	€	€
Land and Buildings:			
Operating lease on land in Uganda Expiring: More than five years	429	1,716	16,728
Operating lease on Office premises in Ireland, renewable annually	9,000	0	0
<b>Total Commitment</b>	<u>9,429</u>	<u>1,716</u>	<u>16,728</u>

**A-Z CHILDREN COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

**14. EMPLOYEES AND REMUNERATION** **2016** **2015**

<b>The average number of persons employed by the company during the financial year was:</b>	<b>Number</b>	<b>Number</b>
Management and head office staff (1 Full Time; 2 part time)	<u>3</u>	<u>3</u>
Ugandan branch	<u>63</u>	<u>65</u>
	<u>66</u>	<u>68</u>

**The aggregate payroll costs were:**

	€	€
Wages and salaries Head Office	104,818	110,396
Ugandan branch	241,691	226,408
Social welfare costs		
- Head office	11,947	11,696
- Ugandan branch	18,979	15,090
Pension	<u>4,992</u>	<u>4,992</u>
	<u>382,427</u>	<u>368,582</u>

Payroll Costs Include €4,319 (2015: €3,165) provision for untaken holidays at year end.

**15. KEY MANAGEMENT COMPENSATION**

The key management personnel are the Officers of the Board - the Chairman, the Treasurer and the Secretary as well as the CEO. Board members receive no remuneration, fees or expenses except for overseas travel. No loans were made or received by key management personnel. There are no employees with emoluments above €70,000 p.a.

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
€60,000 - €70,000	<u>1</u>	<u>0</u>

The salary of the CEO in 2016 is €61,472 p.a. (2015: €57,500), plus a pension contribution of €4,992 (2015: €4,992) and Employer PRSI of €6,608 (2015: €6,181)

<b>16. FUNDRAISING COSTS</b>	<b>2016</b>	<b>2015</b>
	€	€
Marketing	7,806	4,139
Salaries, depreciation and other costs	<u>22,020</u>	<u>20,602</u>
	<u>29,826</u>	<u>24,741</u>

## A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

<b>17. INDIRECT SUPPORT COSTS</b>	<b>2016</b>	<b>2015</b>
	€	€
Bank Charges	4,025	3,252
Currency (Gain)/Loss	(422)	3,200
Legal/Audit/Insurance	36,155	32,743
Miscellaneous Expenditure	<u>8,932</u>	<u>(2,933)</u>
	<b>48,690</b>	<b>36,262</b>

### 18. LEGAL STATUS OF A-Z CHILDREN COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Every member of the company undertakes, if necessary on a winding up during the time they are a member or within one year after they cease to be a member, thereafter to contribute to the assets of the company an amount not exceeding €1.

The company is prohibited by its constitution from distributing any of its reserves by way of a dividend or otherwise to its members.

### 19. CAPITAL COMMITMENTS

At the Balance Sheet date the Company had no capital expenditure commitments.

### 20. FINANCIAL INSTRUMENTS

Nurture Africa has not received credit other than on normal terms or made or received concessionary loans in 2016 or 2015. The charity has no overdraft or any investments in stocks and shares or any type of derivatives and does not make hedging contracts for the buying or selling of foreign currencies.

### 21. RELATED PARTY TRANSACTIONS

There were no Related Party transactions in 2016 or 2015.