

Registered number: 453802

Value Added in Africa Limited
(A Company Limited by Guarantee)
Directors' Report and Financial Statements
For the Year Ended 31 December 2014

Value Added in Africa Limited
(A Company Limited by Guarantee)

Company Information

| | |
|-----------------------------|--|
| Directors | Mathew Murphy (Canada) Joseph Ward Stephanie Casey (resigned 14 June 2014) Caoimhan Considine Kearney Ria Sharon Johnson (Australia) Prince Albert Tucker Margaret Berquist Carr Justin Kilcullen (appointed 16 April 2014) Stuart Parkinson (appointed 16 April 2014) Elizabeth O Herlihy (resigned 1 January 2013) |
| Company secretary | Conall O'Caoimh |
| Registered number | 453802 |
| Registered office | Ardan Windgate Road Howth Co. Dublin |
| Independent auditors | Cooney Carey Accounting Limited Chartered Accountants & Registered Auditors The Courtyard Carmanhall Road Sandyford Dublin 18 |
| Bankers | Allied Irish Banks Sutton Cross Sutton Dublin 13 Ulster Bank 2/4 Lower O'Connell Street Dublin 1 |
| Charity number | CHY 18389 |

Value Added in Africa Limited
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Value Added in Africa Limited
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Chairman's Statement

For the Year Ended 31 December 2014

Introduction

2014 saw a significant progression in VAA's activities and increasingly results becoming evident. As a start-up organisation, much of the work to date has involved setting the foundations for achieving our objectives. This has involved developing the knowledge, and relationships, investing in building our network among African producers and the access routes into Irish and UK retailers and wholesalers. Much has been learnt and our strategy adjusted to ensure the organisation fulfills its mission. 2014 saw this lead to a greater scale of results than previously evident with our African producer partners growing in capacity and achieving scale orders, particularly in the UK.

VAA's research of African producers that add value to local resources and create quality products has been built up steadily through the years and by the end of 2014 what we call our 'Sourcing Map' of Africa included over 500 producers. These have been profiled by VAA staff mostly through site visits and desk based research. We know their products and the value chain behind them. We know which will most contribute to creating sustainable livelihoods for communities in Africa, and we allocate our resources accordingly. Over 25% of these producers already have some international export experience. While a great number produce high quality products using local raw materials and generate good employment in the formal sector, many lack the skills, awareness and resources to market themselves in an international context.

Training and capacity building activities have focused on supporting producers who are close to readiness for international marketing. In 2014 VAA provided direct capacity building supports to 20 African producers judged to have most sustainability in terms of social benefit and commercial viability. This involved mentoring, packaging design, labeling requirements, strategy development, price analysis – often drawing on the pro-bono contribution of Irish and UK expert volunteers.

VAA's engagement with Irish and UK business to promote opportunities for corporate social responsibility has deepened greatly during 2014 through the partnership with Forum for the Future. Jointly with Forum research was carried out asking top-tier UK retailers about their perceptions of value added products from Africa. This led to a seminar in the House of Lords in London hosted by Baroness Young of Hornsey and attended by top brands and retailers. A number of companies in both Ireland and the UK moved from discussion into action, opening market opportunities for African producers.

VAA's work to promote public awareness and education on the role of value-addition in reducing poverty advanced hugely during 2014 through the partnership agreed with the UCD School of Business. Through the creation of the Proudly Made in Africa Fellowship in Business and Development, the collaboration brings VAA's messages into the core of 3rd level business education in Ireland. At 2nd level education VAA's Transition Year resource Proudly Made in Africa continues to be rolled out in schools. VAA also provided awareness raising workshops in collaboration with a wide range of other organisations.

1 Research

Two research missions were made to visit and research producers in five African countries during 2014 – Kenya, Ethiopia, Madagascar, Mauritius and Uganda, visiting and profiling producers, their products and the value chains behind their operations. The visit to Mauritius was at the invitation of the government there, for the occasion of a trade fair. By year-end the VAA 'Sourcing Map' incorporated over 500 companies in mostly East and Southern Africa.

During 2014 VAA decided to focus its research on producers in the areas of food and garments. Both are based on processing locally grown farm produce at source with participation of smallholder farmers. This was decided so as to strengthen VAA's expertise in these niches, and to ensure best use of resources. These are sectors that most have the capacity for scale and which are connected to thousands of farmers who grow ingredients and inputs. Where a producer was found to be not sustainable in both social and commercial terms, they were only provided with email information services and not direct capacity building services or introductions to wholesalers.

Having gathered that Sourcing Map, VAA is better positioned to engage European retailers and wholesalers. No other group in Europe has this level of knowledge of African processing and manufacturing.

What we achieved

- Over 500 companies in VAA's 'Sourcing Map' of African value-added producers.
- Producers profiled, and their supply chains examined.
- Producers categorized in terms of both their readiness for international markets, their contribution to poverty in the local economy, and the ability of VAA to make a difference through engagement with them.
- VAA's database of producers restructured to enable scale usage of the data.

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Chairman's Statement

For the Year Ended 31 December 2014

2 Training

Supports were given to a sub group of 20 producers whom VAA identified as having the greatest contribution to poverty reduction in Africa, and who also have viability for European markets. These were supported in a range of areas related to preparation for international marketing – from packaging design to marketing strategies, price analysis, market information and mentoring through the process of forming commercial relations with international buyers. Most of the supports were given through email and phone contact, during visits to the relevant countries, and two networking events were held at Strathmore Business School in Nairobi each attended by roughly 25 companies.

In 2014 a partnership was formed with the African Cotton and Textiles Industry Federation (ACTIF) to strengthen the capacity for marketing of three East African cotton-to-textiles factories that source cotton from a group of farmers supported by Solidaridad to qualify for Better Cotton Initiative certification. This project started at the end of 2014 and shall be rolled out through 2015.

What we achieved

- 20 of the most socially beneficial producers in the Sourcing Map were actively strengthened with capacity building supports.
 - o 3 were supported through the process of developing new packaging designs for their products – with input from pro-bono designers.
 - o Meru Herbs became the first indigenous Kenyan company to have EU standard nutritional information on their packaging – strengthening their positioning in the local market.
 - o 3 were supported to meet EU requirements for labeling and laboratory testing.
 - o 30 attended export marketing networking events in Nairobi.
 - o Price analysis, logistics confirmations, and company profiles developed for 12 producers.
- The first 4 licenses were granted for African producers to operate the Proudly Made in Africa label on their products.
- 3 producer partners changed their supply routes to connect to local supply options in the light of connections introduced by VAA.
- A number of the producers we support have become leaders in their local sector offering their learning and example of success to others.
- Monthly email newsletter issued to the 500+ producers showing them examples of their peer's success in international markets.
- A mid-project partial baseline found that 70% of the producers surveyed had moved up at least one point on VAA's 9-point scale of capacity for export marketing.

3 Promoting Corporate Social Responsibility

The centre-piece of our engagement with the corporate sector in 2014 was a project jointly undertaken with Forum for the Future. A top tier of UK retail brands were interviewed about their perception of African manufacturing, and how processing at source in Africa will impact on their supply chains in the future. The engagement of UK business was beyond our expectation. In the research paper 'Africa Making It: A UK business perspective' these top brands named what they see as the business case for them sourcing processed products through sustainable value chains in Africa. As part of that process a seminar was held at the House of Lords in which brands such as M&S, Topshop, ASOS, Body Shop, Puma, Coop, Vivienne Westwood, TK Maxx, and Taylors of Harrogate participated, among others. A number of the companies that participated in that process have engaged further in exploring options for sourcing African goods.

Alongside this, VAA engaged a number of UK wholesalers and distributors in exploring options for sourcing African-made goods.

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Chairman's Statement

For the Year Ended 31 December 2014

What we achieved

- Wholesalers in Ireland sourcing processed goods from 8 African producer partners of VAA: Eswatini, Meru Herbs, Madecasse, Khama, Sunflag, Tusker, Star and Iriaini.
- 4 African producers facilitated by VAA in achieving wholesale distributors in the UK: Eswatini, Black Mamba, Meru Herbs and Turqle.
- Waitrose UK stock Madecasse chocolate, made in Madagascar, with the Proudly Made in Africa label.
- M&S renew order for teabags from Iriaini Tea Coop in Kenya.
- Proudly Made in Africa label enters the US market on Madecasse chocolate from Madagascar. This chocolate generates 4x more income for people in Madagascar compared to selling raw cocoa beans.
- Traidcraft UK commissioned VAA to support it to source 4 products from grassroots producer groups in Kenya, Swaziland and South Africa.
- Traidcraft will in 2015 launch a new category of what it calls 'producer brands'.
- First trades facilitated at container scale – e.g. Meru Herbs teabags: the Kenyan coop earns 6 times more from selling teabags than they usually receive when selling bulk loose tealeaves.
- Total volume of exports from Africa supported by VAA passes the €250,000 mark for the first time.
- As those people spend that money in their local economies, this translates to €858,000 in income earnings by African families, contributing to reducing poverty.
- The creation of 681 jobs in the African supply chains and wider economies of the producers.

4 Raising Public Awareness

Sióbhán McGee was appointed as the Proudly Made in Africa Fellow in Business and Development at UCD School of Business in January 2014. Her role is to support lecturers in 3rd level business schools throughout Ireland to incorporate into the business curriculum the themes of value-addition and the role of business in supporting development in Africa. Sióbhán also carried out research and co-authored academic articles and case studies together with academics.

A wide range of public awareness raising activities were carried out by VAA staff and volunteers. These included media work; seminars; workshops in universities and adult education groups; speaking at conferences; participation in policy making fora such as the DAC Review of Irish Aid; facilitating the NGO sharing group on how markets can benefit the poor; tastings; photo calls; and launches of African-made products coming on the Irish market.

What we achieved

- UCD took the step of creating the PMIA Fellowship in Business and Development – a significant step in the mainstreaming of the themes into the Business School's work.
- 28 lecturers in 10 business schools actively engaged with the project.
- 20 lecturers incorporated development education content into their lectures, assessment, projects or exam criteria.
- Two lecturers co-authored case studies and articles one of which was published in an international journal.
- 15 seminars given with adult education groups in Ireland.
- Our first two public awareness raising events held in the UK with significant response to our messages.
- Animation about VAA's work produced in Nairobi.
- 4 pieces of national media coverage gained including one of our Kenyan partners featuring on an RTE television interview.
- 4 pieces of international media coverage were gained – including top fashion house Kering (owner of Gucci, Puma, et al) featuring VAA and our message about value-addition in its magazine.

5 Governance and Organisational Development

The Board of VAA consists of 9 members who met five times during 2014, including a full Strategy Day in June coinciding with the AGM. Two new members joined the Board in 2014 – Justin Kilcullen and Stuart Parkinson, bringing high-level expertise in development and business management respectively.

VAA became a full member of Dóchas in May 2014. It is a signatory to the Dóchas Code on Images and Messages and is committed to the Dóchas Code on NGO Corporate Governance. VAA is a member of the Ethical Fashion Forum (UK) and became a member of Forum for the Future (UK) in November 2014.

John Grindle was commissioned to undertake a 'Learnings Review' to draw together the lessons from VAA's experience in pursuing its mission. This review was still ongoing at the year-end.

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Chairman's Statement

For the Year Ended 31 December 2014

Governance Review

In September 2014 the Board appointed a sub-committee (two Board members and the Director) to lead a Review of VAA's governance systems, policies and practices. The guide for the review is the Dóchas Code on NGO Corporate Governance to which VAA is committed. Existing policies were reviewed to ensure they are being implemented. The committee has reported to each Board meeting since and its recommendations adopted by the Board. This led to the updating of a number of policies and the adoption of new policies in relation to Risk Register and Child Protection. The sub-committee met monthly through the autumn and its work continued into 2015.

The staff of VAA was strengthened with the addition of Sióbhán McGee as the Development Education Officer and Proudly Made in Africa Fellow of Business and Development at UCD School of Business. A number of interns gave voluntary service at VAA during the year, as well as a wide number of volunteers who offered professional services to strengthen the capacity of our producer partners, and to carry out awareness raising activities such as stalls at Africa Day or tasting events.

6 Funding

VAA continued in 2014 to implement the Irish Aid Civil Society Fund project in line with the 3-year contract with VAA. A full Year 2 report was made in 2014 and the response from Irish Aid admired VAA's ability to learn from experience and adapt our strategy in the light of this.

Other key funders, Trócaire, Concern, Gorta-Self Help and the Marist Fathers continued in their support for VAA's work, as did our individual donors. The only public fundraising event was bag-packs in a couple of supermarkets. The funding base was also diversified with grants received from UCD School of Business and for the first time outside, a grant made by the Nairobi-based TradeMark East Africa for a project promoting Kenyan sustainably-made garments in collaboration with the African Cotton and Textiles Industry Federation. As a result, overall revenue in 2014 is up 20% on the previous year.

Name Joseph Ward
Chairman

Date 13 August 2015

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Directors' Report

For the Year Ended 31 December 2014

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice ("Irish GAAP"). Under the 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 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 judgments and accounting 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 the 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.

Principal activities

The company is a charity that raises awareness among businesses in Ireland and in Africa about how they can exercise corporate social responsibility through trade in value-added products and about how this can contribute significantly to poverty reduction. The company facilitates by building such relationships between producers in Africa and distributors in Ireland. They receive commission when they find a distributor for the African producer however, the charity is mainly funded by donations and grants.

Business review

The company's income increased from €205,030 to €245,212 during the year. The company had a surplus for the year of €20,065 (2013 - €51,656) and had net assets at the year end of €148,423 (2013 - €128,358).

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Directors' Report

For the Year Ended 31 December 2014

Results and dividends

The surplus for the year, after taxation, amounted to €20,065 (2013 - €51,656).

No dividends or transfers to reserves are proposed by the directors.

Directors and their interests

The directors who served during the year were:

Mathew Murphy
Joseph Ward
Stephanie Casey (resigned 14 June 2014)
Caoimhan Considine
Kearney Ria
Sharon Johnson
Prince Albert Tucker
Margaret Berquist Carr
Justin Kilcullen (appointed 16 April 2014)
Stuart Parkinson (appointed 16 April 2014)
Elizabeth O Herlihy (resigned 1 January 2013)

Principal risks and uncertainties

The company uses financial instruments throughout its business. The core risks associated with the companies financial instruments are set out below. The board reviews and agrees policies for the prudent management of these risks as follows:

Liquidity and cash flow risk

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.

Economic risk

The general macro environment remains difficult in Ireland. The global economic conditions could possibly result in a reduction in the level of donations being made to the company and an make conditions harder to place African products into the Irish retail market.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, 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 Ardan, Windgate Road, Howth, Co. Dublin.

Future developments

The Directors will continue to develop the activities of the company in the ensuing year.

Electoral Act, 1997

The company made no political donations during the year.

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Directors' Report

For the Year Ended 31 December 2014

Post balance sheet events

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

Auditors

The auditors, Cooney Carey Accounting Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on 13 August 2015 and signed on its behalf.

Joseph Ward
Director

Justin Kilcullen
Director

Value Added in Africa Limited
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Independent Auditors' Report to the Members of Value Added in Africa Limited

We have audited the financial statements of Value Added in Africa Limited for the year ended 31 December 2014, set out on pages 10 to 18. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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 Irish law 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 Reports and Financial Statements for the year ended 31 December 2014 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 state of the assets, liabilities and financial position of the company as at 31 December 2014 and of its surplus for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and in particular with the requirements of the Companies Act 2014.

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Independent Auditors' Report to the Members of Value Added in Africa Limited

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.

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

Paul Leonard
For and on behalf of
Cooney Carey Accounting Limited
Chartered Accountants
Registered Auditors
The Courtyard
Carmanhall Road
Sandyford
Dublin 18

Date: 13 August 2015

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Income and Expenditure Account

For the Year Ended 31 December 2014

| | Note | 2014 € | 2013 € |
|---|-------------|-------------------------|-------------------------|
| Turnover | 1 | 245,212 | 205,030 |
| Administrative expenses | | (225,147) | (153,374) |
| Surplus on ordinary activities before taxation | | 20,065 | 51,656 |
| Tax on surplus on ordinary activities | | - | - |
| Surplus for the financial year | 5 | 20,065 | 51,656 |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Income and Expenditure Account.

There are no material differences between the surplus on ordinary activities before taxation and the retained surplus for the financial year stated above and their historical cost equivalents.

Signed on behalf of the board

Joseph Ward
Director

Justin Kilcullen
Director

Date: 13 August 2015

The notes on pages 13 to 18 form part of these financial statements.

Value Added in Africa Limited
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Balance Sheet

As at 31 December 2014

| | Note | € | 2014 € | € | 2013 € |
|---|------|-----------------|----------------|-----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 506 | | 590 |
| Current assets | | | | | |
| Debtors | 7 | 155 | | 175 | |
| Cash at bank | | 165,926 | | 141,177 | |
| | | <u>166,081</u> | | <u>141,352</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(18,164)</u> | | <u>(13,584)</u> | |
| Net current assets | | | <u>147,917</u> | | <u>127,768</u> |
| Total assets less current liabilities | | | <u>148,423</u> | | <u>128,358</u> |
| Capital and reserves | | | | | |
| Income and expenditure account | 5 | | <u>148,423</u> | | <u>128,358</u> |
| | 10 | | <u>148,423</u> | | <u>128,358</u> |

Signed on behalf of the board:

Joseph Ward
 Director

Justin Kilcullen
 Director

Date: 13 August 2015

The notes on pages 13 to 18 form part of these financial statements.

Value Added in Africa Limited
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Cash Flow Statement

For the Year Ended 31 December 2014

| | Note | 2014 € | 2013 € |
|--|------|-----------------------|-----------------------|
| Net cash flow from operating activities | 12 | 24,749 | 60,223 |
| Capital expenditure and financial investment | 13 | - | (205) |
| Increase in cash in the year | | <u>24,749</u> | <u>60,018</u> |
| Movement in net debt in the year | | 24,749 | 60,018 |
| Net funds at 1 January 2014 | | 141,177 | 81,159 |
| Net funds at 31 December 2014 | | <u><u>165,926</u></u> | <u><u>141,177</u></u> |

The notes on pages 13 to 18 form part of these financial statements.

Value Added in Africa Limited
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Notes to the Financial Statements

For the Year Ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and the Irish statute comprising the Companies Act 2014. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

1.2 Tangible fixed assets and depreciation

Tangible assets are stated at cost less accumulated depreciation. The cost of a tangible asset comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

| | | |
|-----------------------|---|---------------------|
| Fixtures and fittings | = | 12.5% Straight Line |
|-----------------------|---|---------------------|

Tangible assets are reviewed annually for permanent impairment.

1.3 Turnover

Income and expenses are taken into account as they become receivable or due, with the exception of bank deposit interest which is treated on a cash receipts where applicable and donations which are recognised upon lodgement to the bank account.

1.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Income and Expenditure Account over the expected useful lives of the assets concerned. Other grants are credited to the Income and Expenditure Account as they become receivable.

1.5 Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

1.6 Reserves

Value Added in Africa holds financial reserves to protect the organisation from unforeseen set-backs. The appropriate level of reserves is set out in our Reserves Policy, which stipulates how Value Added in Africa defines what it means by reserves and what legal obligations it has in relation to the amount of reserves that the company holds. In the Policy, the Board identifies a number of key risks to the organisation, including planning and environmental risks to income, as well as funding liabilities and emergency provisions.

The directors are satisfied with the reserve level at the year end.

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Notes to the Financial Statements

For the Year Ended 31 December 2014

2. Surplus

The surplus is stated after charging:

| | 2014 | 2013 |
|--|--------------------------|--------------------------|
| | € | € |
| Depreciation of tangible fixed assets: | | |
| - owned by the company | 84 | 71 |
| Auditors' remuneration | 2,036 | 2,000 |
| | <u><u> </u></u> | <u><u> </u></u> |

During the year, no director received any emoluments (2013 - €NIL).

3. Taxation

The company is a registered charity and is not subject to Irish taxes.

4. Staff costs

Staff costs were as follows:

| | 2014 | 2013 |
|----------------------|-----------------------|----------------------|
| | € | € |
| Wages and salaries | 143,409 | 75,747 |
| Social welfare costs | 14,098 | 7,717 |
| | <u><u>157,507</u></u> | <u><u>83,464</u></u> |

Capitalised employee costs during the year amounted to €NIL (2013 - €NIL).

The average monthly number of employees, including the directors, during the year was as follows:

| | 2014 | 2013 |
|--|--------------------------|--------------------------|
| | No. | No. |
| | 3 | 2 |
| | <u><u> </u></u> | <u><u> </u></u> |

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Notes to the Financial Statements

For the Year Ended 31 December 2014

5. Reserves

| | Income and expenditure account € |
|--------------------------------|---|
| At 1 January 2014 | 128,358 |
| Surplus for the financial year | 20,065 |
| | <hr/> |
| At 31 December 2014 | 148,423 |
| | <hr/> <hr/> |
| | |
| | Income and expenditure account € |
| At 1 January 2013 | 76,702 |
| Surplus for the financial year | 51,656 |
| | <hr/> |
| At 31 December 2013 | 128,358 |
| | <hr/> <hr/> |

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Notes to the Financial Statements

For the Year Ended 31 December 2014

6. Tangible fixed assets

| | Fixtures and fittings |
|--|------------------------------|
| | € |
| Cost | |
| At 1 January 2014 and 31 December 2014 | 853 |
| Depreciation | |
| At 1 January 2014 | 263 |
| Charge for the year | 84 |
| At 31 December 2014 | 347 |
| Net book value | |
| At 31 December 2014 | 506 |
| At 31 December 2013 | 590 |
| | Fixtures and fittings |
| | € |
| Cost | |
| At 1 January 2013 | 648 |
| Additions | 205 |
| At 31 December 2013 | 853 |
| Depreciation | |
| At 1 January 2013 | 192 |
| Charge for the year | 71 |
| At 31 December 2013 | 263 |
| Net book value | |
| At 31 December 2013 | 590 |
| At 31 December 2012 | 456 |

The company had no capital commitments at the year end.

7. Debtors

| | 2014 | 2013 |
|-------------|-------------|-------------|
| | € | € |
| Prepayments | 155 | 175 |

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Notes to the Financial Statements

For the Year Ended 31 December 2014

8. Creditors:
Amounts falling due within one year

| | 2014 | 2013 |
|-------------------------|----------------------|----------------------|
| | € | € |
| Trade creditors | - | 106 |
| Other taxes (see below) | 12,516 | 6,918 |
| Accruals | 5,648 | 6,560 |
| | <u>18,164</u> | <u>13,584</u> |
| Other taxes | | |
| | 2014 | 2013 |
| | € | € |
| PAYE/PRSI | <u>12,516</u> | <u>6,918</u> |

9. Restricted funds

Two grant contracts have been signed with Irish Aid that has restricted usage. These grants are as follows:

1. The "Civil Society Fund" grant is for a three year programme (Access to Markets for African-Made Products 2012: €78,000; 2013: €100,000; 2014: €120,000). This funding must be used for the activities specified in the application.

2. The "Development Education" grant of €30,000 (Introducing Business' Role in Stimulating Development into 3rd Level Business Education in Ireland) is a one year grant and must be used in line with the application.

10. Reconciliation of movement in members' funds

| | 2014 | 2013 |
|--------------------------------|-----------------------|-----------------------|
| | € | € |
| Opening members' funds | 128,358 | 76,702 |
| Surplus for the financial year | 20,065 | 51,656 |
| | <u>148,423</u> | <u>128,358</u> |
| Closing members' funds | <u>148,423</u> | <u>128,358</u> |

11. Company status

The company is limited by guarantee and consequently does not have share capital.

Value Added in Africa Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the Year Ended 31 December 2014

12. Net cash flow from operating activities

| | 2014 | 2013 |
|--|---------------|---------------|
| | € | € |
| Operating surplus | 20,065 | 51,656 |
| Depreciation of tangible fixed assets | 84 | 71 |
| Decrease in debtors | 20 | 534 |
| Increase in creditors | 4,580 | 7,962 |
| | <hr/> | <hr/> |
| Net cash inflow from operating activities | 24,749 | 60,223 |
| | <hr/> <hr/> | <hr/> <hr/> |

13. Analysis of cash flows for headings netted in cash flow statement

| | 2014 | 2013 |
|---|-------------|-------|
| | € | € |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | - | (205) |
| | <hr/> | <hr/> |

14. Analysis of changes in net funds

| | 1 January | Cash flow | Other | 31 December |
|--------------------------|------------------|------------------|--------------|--------------------|
| | 2014 | | non-cash | 2014 |
| | € | € | changes | € |
| | | | € | |
| Cash at bank and in hand | 141,177 | 24,749 | - | 165,926 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net funds | 141,177 | 24,749 | - | 165,926 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

15. Members liability

Every member if the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year afterwards for the payment of debts and liabilities of the company contracted before he ceases to be a member and the costs, charges and expenses of winding up and for the adjustment of rights of contributors among themselves such amount as may be required not exceeding one euro.

16. Approval of financial statements

The board of directors approved these financial statements for issue on 13 August 2015.

Value Added in Africa Limited
(A Company Limited by Guarantee)

Detailed Income and Expenditure Account

For the Year Ended 31 December 2014

| | Page | 2014 € | 2013 € |
|-----------------------------|-------------|-------------------------|-------------------------|
| Turnover | 20 | 245,212 | 205,030 |
| Less: Overheads | | | |
| Administration expenses | 20 | (225,147) | (153,374) |
| Surplus for the year | | 20,065 | 51,656 |

Value Added in Africa Limited
(A Company Limited by Guarantee)

Schedule to the Detailed Accounts

For the Year Ended 31 December 2014

| | 2014 € | 2013 € |
|--|----------------|----------------|
| Turnover | | |
| Voluntary donations | 28,586 | 12,773 |
| Trocaire | 18,000 | 19,500 |
| Gorta | 25,000 | 20,000 |
| Concern | 6,000 | 6,000 |
| Marist Fathers | 5,000 | 5,000 |
| Irish Aid grant - Civil Society Fund | 120,000 | 100,000 |
| Fundraising activities | 1,126 | 3,254 |
| Workshops | 1,500 | 8,503 |
| UCD education grant | 10,000 | - |
| Irish Aid - Educational grant assistance | 30,000 | 30,000 |
| | <u>245,212</u> | <u>205,030</u> |

| | 2014 € | 2013 € |
|--------------------------------------|----------------|----------------|
| Administration expenses | | |
| Staff salaries | 143,409 | 75,747 |
| Staff national insurance | 14,098 | 7,717 |
| Hotels, travel and subsistence | 6,290 | 2,519 |
| Consultancy | 2,010 | 6,289 |
| Printing and stationery | 34 | - |
| Advertising and promotion | - | 7,994 |
| Legal and professional | 7,910 | 6,625 |
| Auditors' remuneration | 2,036 | 2,000 |
| Sundry expenses | 996 | 597 |
| Rent - non-operating leases | 180 | 214 |
| Service charges | 1,410 | 1,889 |
| Depreciation - fixtures and fittings | 84 | 71 |
| Sample goods | 1,337 | 472 |
| Event expenditure | 30,652 | 11,448 |
| Volunteers daily allowance claims | 5,872 | 5,972 |
| Trade shows | 3,579 | 5,318 |
| Market research | 5,250 | 5,920 |
| Development education activities | - | 9,884 |
| Development education consultant | - | 2,698 |
| | <u>225,147</u> | <u>153,374</u> |