

Friends of the Earth Ireland Limited
(A company limited by guarantee and not having a share capital)

Directors' Report and Financial Statements

for the year ended 31 December 2012

Friends of the Earth Ireland Limited
(A company limited by guarantee and not having a share capital)

Financial Statements for the year ended 31 December 2012

Company Information

Directors	Anna Heussaf Cara Augustenborg Damian O' Broin John Sweeney Jude Torley (Resigned 12/09/2012) Nessa Ni Chasaide Pat Montague Stephen Rourke
Secretary	Cara Augustenborg
Company Number	383678
Registered Office	9 Upper Mount Street, Dublin 2.
Business Address	9 Upper Mount Street, Dublin 2.
Auditors	Malone Power & Company, Chartered Accountants, Registered Auditors, Marlborough House, 21 Marlborough Road, Donnybrook, Dublin 4.
Bankers	Bank of Ireland plc, College Green, Dublin 2.

Friends of the Earth Ireland Limited
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Financial Statements for the year ended 31 December 2012

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Friends of the Earth Ireland Limited
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Directors' Report
for the year ended 31 December 2012

1. Audited Financial Statements

The Directors present herewith their report and the audited financial statements for the year ended 31 December 2012. In preparing these financial statements, the Directors have exercised the options available to a small sized private company under the Companies (Amendment) Act, 1986.

2. Principal Activity

The organisation is engaged in promoting public education and action on environmental sustainability and justice.

We promote:

- Sustainable development - meeting the needs of the current generation without compromising the ability of future generations to meet their needs.
- Environmental Justice - too often the poorest communities in the world are denied access to the natural resources essential to life, such as fresh water, while rich countries consume and pollute disproportionately.
- Evidence-based solutions to environmental problems - solutions that make life better for people while protecting the planet for future generations.
- People's action - including individual and collective, local, national and international, to tackle the environmental challenges we face.

Key Achievements in 2012 include:

- a) Progress towards climate legislation with the publication of Minister for the Environment, Phil Hogan's Roadmap, the public consultation and the publication on the Heads of a climate Bill.
- b) Significant outcomes from the public consultation on climate policy and legislation, with high levels of public participation and big majorities in favour of all our key proposals.
- c) The decision to hold a public consultation on the terms of reference for the EPA's research project on fracking.
- d) The visit to Ireland of the Chair of Friends of the Earth International, Nnimmo Bassey.
- e) The National Economic and Social Council consensus report on the draft Framework for Sustainable Development and the Government decision to hold a Dáil debate on it, increasing stakeholder and cross-party ownership of sustainability.
- f) Our number of financial supporters rose by 15% and supporter income rose by 25%.

3. Governance

The Board is committed to maintaining the highest standards of Corporate Governance and has determined that the organisation should comply with the principles outlined in "The Governance Code for Community, Voluntary and Charitable Organisations" (as produced by the Corporate Governance Association of Ireland, in association with various voluntary and charitable organisations).

Board Members, all of whom are non-executive, are drawn from diverse backgrounds and bring a broad range of experience and skills to Board deliberations.

Friends of the Earth Ireland Limited
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Directors' Report
for the year ended 31 December 2012

3. Governance (cont.)

There are clear distinctions between the role of the Board and the Director (chief executive) to whom day to day management is delegated. Matters such as policy, strategic planning and budgets are prepared by the Director and the staff for consideration and approval by the Board, who then monitor the implementation of these plans. The Members of the Board cannot, under the governing documents, receive remuneration for their role, they may only be reimbursed for incidental expenses claimed.

4. Political Donations

It is Friends of the Earth Ireland Limited's policy not to make political contributions. As there were no political contributions in 2012, no disclosures are required under the Electoral Act, 1997.

5. Future Objectives

Continue to advance our strategic objectives, including:

- a) Promote the passage of a strong climate change law.
- b) Support communities opposing the extraction of fossil fuels.
- c) Promote education and action, especially among young people, on the issues of environmental sustainability and justice.
- d) Increase and maintain the financial security of the organisation.
- e) Increase our supporter base, our supporter income, and strengthen our connection with supporters.

6. Results

The results for the year are set out in the Income and Expenditure account on Page 6.

7. Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2012. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8. Books of Account

The Directors are responsible for ensuring that proper books of account as outlined in section 202 of the Companies Act 1990, are kept by the company. The books of account are maintained by the Directors at Dublin 2.

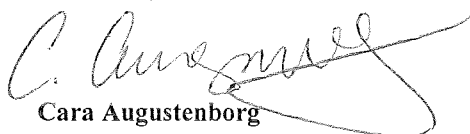
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Directors' Report
for the year ended 31 December 2012

9. Auditors

The auditors, Malone Power & Company, Chartered Accountants and Registered Auditors, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board


Cara Augustenborg

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) Directors

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Damian O' Broin

9 Upper Mount Street,
Dublin 2.

24th July 2013

Malone Power & Company

Chartered Accountants
Registered Auditors

Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.
Telephone : (01) 6684088
Fax : (01) 6684150
e-mail : info@malonepower.com

Independent Auditors' Report to the Members of Friends of the Earth Ireland Limited

We have audited the financial statements on pages 6 to 11 of Friends of the Earth Ireland Limited for the year ended 31 December 2012 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for preparing the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by Chartered Accountants Ireland.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with the Companies Acts, 1963 to 2012. We also report to you whether, in our opinion, proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company and whether the information given in the Directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and its profit and loss account are in agreement with the books of account.

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

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

Basis of audit opinion

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

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

Malone Power & Company

Chartered Accountants
Registered Auditors

Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.
Telephone : (01) 6684088
Fax : (01) 6684150
e-mail : info@malonepower.com

Opinion

In our opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at the 31 December 2012 and of its deficit for the year then ended and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

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

In our opinion, the information given in the directors' report on pages 1 - 3 is consistent with the financial statements.



**Brendan P. Malone for:
Malone Power & Company,
Chartered Accountants,
Registered Auditors.**

Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.

24 July 2013

Friends of the Earth Ireland Limited
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Income and Expenditure Account
for the year ended 31 December 2012

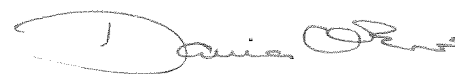
Continuing operations

	Notes	2012		2011	
		€	€	€	€
Income					
- Unrestricted Income			78,312		93,201
- Restricted Income			99,540		138,913
			<u>177,852</u>		<u>232,114</u>
Less:					
Programme Expenditure		121,022		150,880	
Supporter Relations and Development Expenditure		47,712		37,317	
Administrative Expenditure		<u>25,278</u>		<u>24,110</u>	
			<u>(194,012)</u>		<u>(212,307)</u>
(Deficit)/surplus on ordinary activities before taxation	2		(16,160)		19,807
Taxation	3		-		-
(Deficit)/surplus on ordinary activities after taxation			(16,160)		19,807
Accumulated surplus at beginning of year			<u>42,771</u>		<u>22,964</u>
Accumulated surplus at end of year			<u><u>26,611</u></u>		<u><u>42,771</u></u>

There are no recognised gains or losses other than the surplus or deficit for the above financial year.

The financial statements were approved by the board on 24 July 2013 and signed on its behalf by :


Cara Augustenborg
 Director

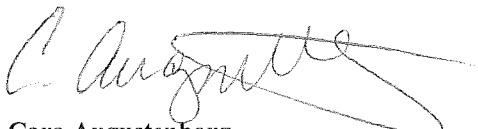

Damian O' Broin
 Director


Friends of the Earth Ireland Limited
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Balance Sheet
as at 31 December 2012

	Notes	€	2012 €	€	2011 €
Fixed Assets					
Tangible assets	5		14,926		11,361
Current Assets					
Debtors	6	48,569		17,052	
Cash at bank and in hand		76,372		72,249	
		<u>124,941</u>		<u>89,301</u>	
Creditors: amounts falling due within one year	8	<u>74,842</u>		<u>57,891</u>	
Net Current Assets			<u>50,099</u>		<u>31,410</u>
Total Assets less Current Liabilities			65,025		42,771
Creditors: amounts falling due after more than one year	9		38,414		-
Net Assets			<u>26,611</u>		<u>42,771</u>
Represented by:					
Accumulated Surplus			<u>26,611</u>		<u>42,771</u>

The financial statements were approved by the Board on 24 July 2013 and signed on its behalf by :


Cara Augustenborg
 Director


Damian O' Broin
 Director

Friends of the Earth Ireland Limited
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Notes to the Financial Statements
for the year ended 31 December 2012

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Income

Income represents grants and donations and other funds received and receivable.

1.3. Tangible fixed assets and depreciation

Depreciation is provided on the bases and at rates stated below which are estimated to reduce the assets to realisable values by the end of their expected working lives:-

Category	Basis	Rate per annum
Office equipment	Straight line	33.33%
Fixtures and fittings	Straight line	20%
Website development	Straight line	33.33%
Database development	Straight line	20%

A full year's depreciation is charged in the year of purchase. No depreciation is charged in the year of sale.

1.4. Deferred Expenditure

Friends of the Earth Ireland Limited have entered into an agreement with Total Fundraising Limited for the provision of supporter recruitment services. Amounts incurred are amortised on a straight line basis to the Income and Expenditure Account over 3 years. Unamortised expenditure at the year end is included in the Balance Sheet under Debtors and Prepayments as Deferred Expenditure.

2. (Deficit)/surplus on ordinary activities before Taxation	2012	2011
	€	€
(Deficit)/surplus on ordinary activities before taxation is stated after charging :		
Depreciation of tangible assets	4,009	323
Directors' Remuneration		
As Directors	-	-
For management services	-	-
	-	-
Auditors' remuneration	5,248	4,849

Friends of the Earth Ireland Limited
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Notes to the Financial Statements
for the year ended 31 December 2012

3. Taxation

No provision for Corporation Tax has been made due to the granting by the Revenue Authorities of "Mutuality of Trade" Status on the 29th September, 2005, thereby exempting the organisation from paying Corporation Tax on its operating surplus.

4. Employees

Number of employees

The average numbers of employees
(including the directors) during the year were:

	2012	2011
	Number	Number
Programme Officer	2	2
Chief Executive	1	1
	<u>3</u>	<u>3</u>

Employment costs

	2012	2011
	€	€
Salaries	106,141	104,508
Employer's PRSI contributions	11,411	11,194
Pension Costs	5,164	5,164
	<u>122,716</u>	<u>120,866</u>

5. Tangible assets

	Office Equipment	Fixtures & Fittings	Website Development	Database Development	Total
	€	€	€	€	€
Cost					
At 1 January 2012	6,749	1,156	26,795	11,084	45,784
Additions	-	-	-	7,574	7,574
At 31 December 2012	<u>6,749</u>	<u>1,156</u>	<u>26,795</u>	<u>18,658</u>	<u>53,358</u>
Depreciation					
At 1 January 2012	6,472	1,156	26,795	-	34,423
Charge for the year	277	-	-	3,732	4,009
At 31 December 2012	<u>6,749</u>	<u>1,156</u>	<u>26,795</u>	<u>3,732</u>	<u>38,432</u>
Net book values					
At 31 December 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,926</u>	<u>14,926</u>
At 31 December 2011	<u>277</u>	<u>-</u>	<u>-</u>	<u>11,084</u>	<u>11,361</u>

Friends of the Earth Ireland Limited
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Notes to the Financial Statements
for the year ended 31 December 2012

6. Debtors	2012	2011
	€	€
Deferred Expenditure (See Note 7)	12,997	-
Accrued Income	35,140	16,576
Prepayments	432	476
	<u>48,569</u>	<u>17,052</u>

7. Deferred Expenditure

During 2012, the organisation entered into an agreement with Total Fundraising Limited to recruit supporters on behalf of Friends of the Earth Ireland Limited, in order to increase voluntary donation income. This expense is being amortised on a straight line basis over 3 years. The projected total expenditure is €68,019.

	2012	2011
	€	€
At beginning of the year	-	-
Invoices received during the year	19,496	-
Amount written off to the Income and Expenditure during the year	(6,499)	-
	<u>12,997</u>	<u>-</u>

8. Creditors: amounts falling due within one year	2012	2011
	€	€
Trade creditors and accrued expenses	7,589	23,594
PAYE/PRSI	7,583	7,160
Loan from Friends of the Earth EWN1	30,045	-
Deferred Income	4,500	12,000
Other Creditors	25,125	15,137
	<u>74,842</u>	<u>57,891</u>

Friends of the Earth Ireland Limited
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Notes to the Financial Statements
for the year ended 31 December 2012

9. Creditors: amounts falling due after more than one year	2012 €	2011 €
Loan from Friends of the Earth EWNI	<u>38,414</u>	<u>-</u>

10. Loan from Friends of the Earth England, Wales and Northern Ireland

In September 2012, Friends of the Earth Ireland received a loan of €68,459 (Stg£55,000) to finance supporter recruitment from Friends of the Earth England, Wales and Northern Ireland. The loan will be paid back over two years at an interest rate of the UK Consumer Price Index +1 percentage point.

11. Approval of financial statements

The financial statements were approved by the Board on 24 July 2013.

Friends of the Earth Ireland Limited
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Financial Statements for the year ended 31 December 2012

The following pages are for the directors only

Friends of the Earth Ireland Limited
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Income and Expenditure Account
for the year ended 31 December 2012

	2012		2011	
	€	€	€	€
Income (Page 14)		177,852		232,114
<u>Less: Programme Expenditure</u>				
Climate Change	16,459		56,480	
Community Rights	3,901		-	
Education and Activism	13,851		10,377	
Website Maintenance	1,279		2,438	
Salaries	72,753		70,909	
Employers' PRSI Contribution	7,821		7,584	
Staff Pension Costs	3,092		3,092	
Depreciation on Database Development	1,866		-	
		(121,022)		(150,880)
		56,830		81,234
<u>Less: Supporter Relations and Development Expenditure</u>				
Supporter Care	4,286		2,672	
Supporter Recruitment	11,389		2,837	
Fundraising	292		1,659	
Salaries	25,494		25,738	
Employers' PRSI Contribution	2,741		2,767	
Staff Pension Costs	1,644		1,644	
Depreciation on Database Development	1,866		-	
		(47,712)		(37,317)
		9,118		43,917
<u>Less: Administrative Expenditure</u>				
Audit Fees	5,248		4,849	
Accountancy Fees	450		-	
Bank Charges and Interest	489		565	
Board Expenses	15		378	
Rent and Insurance	9,489		8,332	
Depreciation	277		323	
Salaries	7,894		7,861	
Employers' PRSI Contribution	849		843	
Staff Pension Costs	428		428	
General Office Costs	139		531	
		(25,278)		(24,110)
Operating (Deficit)/Surplus		(16,160)		19,807

Friends of the Earth Ireland Limited
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Detailed Income Schedule for the year ended 31st December 2012

<u>Income</u>	2012 €	2011 €
<u>Unrestricted Income</u>		
Subscriptions and Donations	64,494	78,535
Irish Environmental Network	13,818	14,666
	<u>78,312</u>	<u>93,201</u>
<u>Restricted Income</u>		
Irish Aid	15,300	20,600
European Climate Foundation	30,379	50,000
Irish Environmental Network	21,547	5,800
Stop Climate Chaos coalition	14,875	13,800
FOE Europe Grants	1,504	18,030
Other Grants	15,935	30,683
	<u>99,540</u>	<u>138,913</u>
(To Page 13)	<u>177,852</u>	<u>232,114</u>

Note: Restricted Income is income which is received to fund a specific task/project. Unrestricted Income is income which is not restricted to a specific task/project.