

Value Added in Africa Limited
(Company limited by guarantee and
not having share capital)

Directors' Report and Financial Statements

For the year ended 31 December 2013

Value Added in Africa Limited

Company Information

Directors	Matthew Murphy (Canada) Joseph Ward Stephanie Casey Caoimhan Considine Prince Albert Tucker (Appointed 14 February 2013) Margaret Berquist Carr (Appointed 14 February 2013) Kearney Ria (Appointed 28 February 2013) Sharon Johnson (Australia) (Appointed 1 May 2013) Stuart Charles Parkinson (Appointed 16 April 2014) Justin Michael Kilcullen (Appointed 16 April 2014) Michelle Hardiman (Resigned 1 January 2013) Elizabeth O'Herlihy (Resigned 1 January 2013) John Soden (Resigned 14 February 2013)
Secretary	Conall O'Caoimh
Company Number	453802
Charity number	CHY 18389
Registered Office	Ardan Windgate Road Howth Co. Dublin
Auditors	Cooney Carey Accounting Limited Chartered Accountants and 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

Value Added in Africa Limited

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Value Added in Africa Limited

Chairperson's Statement

For the year ended 31 December 2013

Overview

2013 saw an expansion of VAA's work inspired by the new strategic approach shaped in the previous year (hereinafter referred to as the "Strategy"). A priority for 2013 was to build up the 'Sourcing Map' of African producers and their goods so as to strengthen our 'offer' and be better positioned for engaging Irish and UK business. UK business strategy and dialogue was enhanced through a partnership with the UK organisation Forum for the Future, this was a significant stepping stone for VAA.

In keeping with the strategy VAA one of VAA's 2013 milestones was to strengthen its sourcing model and focus on three priority product categories; cotton, tea and coffee. The Sales Manager position was not renewed however VAA recruited a Sourcing Manager. The net effect of the transition to this sourcing model was that sales of African goods were below initial target, however that was expected under the revised strategy. By the end of 2013 VAA has profiled and documented information on over 400 companies, in 25 countries, mostly in eastern and southern Africa, but also a number in western Africa. Roughly 10% of them are exporting internationally.

VAA development education work advanced significantly with the establishment of the Proudly Made in Africa Fellowship in Business and Development at UCD School of Business. The Volunteer Awareness Raising Team also grew in strength and held a full schedule of public events.

VAA received two awards for our work: the Africa Day Award, business category, and the World Bank M-Agri Award for an app developed in Africa. A number of high profile events were organised - in particular the visit of Sally Sawaya Kimoto of Meru Herbs to Ireland and Britain in April; and the visit of Minister Joe Costello to Kenya in December.

VAA continues to build up VAA in the UK with additional Board members from the UK. VAA UK are actively networking among the UK development and business communities so as to attract funding and establish an organisational presence in the UK.

VAA's funding grew and was diversified during 2013. At year-end we are at mid-point in a three-year Irish Aid CSF funded programme. Trocaire and Concern renewed their funding and we were delighted to be awarded a grant also by Gorta. Private donations have been maintained despite the continued difficult economic environment.

2013 also saw development in VAA's methods for measuring results. Emma Alken carried out our base-line survey and we developed a scale of market preparedness by which improvements in producer capacity for international marketing can be measured.

Producer Search and Preparation

As outlined in our strategic planning process we continue to strengthen our 'offer' to business in both Africa and Europe. The 'sourcing map' of Africa involved (i) identifying suitable producers in the key product areas of teabags, roasted coffee and cotton garments, (ii) gathering profiles of their companies, products and supply chains and (iii) building relations with them.

VAA appointed a Sourcing Manager and Deputy Director, Michelle Hardiman. Ms Hardiman brings expertise in both marketing and business development. To date Ms Hardiman brings considerable energy and expertise to finding the producers most ready for market, engages local community value chains, verifies their information and encourages them to source local ingredients and inputs.

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For the year ended 31 December 2013

VAA undertook four trips to Africa. Ms Hardiman completed two visits to southern and eastern Africa. In southern Africa she attended the Source Africa garments trade fair and visited a range of factories in Lesotho, South Africa and Swaziland tracing how a fully African value chain can be connected to offer large volumes of fully African-made garments. VAA data points suggest to achieve such a connected supply chain would likely require an international buyer of scale to use their leverage to persuade companies to source local inputs. The second trip to East Africa focused on garments, tea and coffee in Ethiopia, Rwanda and Tanzania. Mr O'Caomh also made visits to Kenya in July and December strengthening the partnerships with producers there.

The VAA Strategy included the database of African companies being restructured, and with the assistance of interns, Sinead McGrath and Ann-Claire Pacteau, by year-end the database came to include profiles of over 400 companies, mostly in east and southern Africa, but also a number in west Africa. Such extensive knowledge of production in the region is itself a resource which few in this part of the world have available to them and strengthens how VAA can make it easier for European business to successfully source products made in Africa.

Capacity Building for Export Marketing

Entering international markets presents many challenges to our partner producers in Africa. Therefore, while VAA does not intervene to build the productive capacity of African producers, it does offer a number of services to build the marketing capacity of producers for engaging in international markets. Our ability to provide these services on the ground was strengthened when Paul Drawbridge, a British brand consultant who moved to Nairobi, offered to support our work on a pro-bono basis. He has provided pro-bono consultancy to Iriaini, Dormans and Tropical Heat.

Two 'networking events for export marketing' were held at Strathmore Business School in Nairobi in July and December. Board member and Co-founder, Prof. Matt Murphy, joined Mr. O'Caomh for the July event and two weeks of factory visits. The December event was timed to coincide with the visit of Minister Joe Costello TD to Nairobi. We were delighted that the Minister opened the event and also visited the Kiboko garment factory in Nairobi, a factory which supplied t-shirts VAA previously sold into Switzerland. The series of events has built up a followership. One can now see the practical networking and sharing of knowledge among the producers at these Nairobi networking events.

At the July event Mary Daly of Stafford Lynch, the largest independent wholesaler group in Ireland, completed a question and answers session with the participants about the structure of the retail sector in Ireland into which they are seeking to sell their products. The second event focused on certification and included expert speakers from Partner Africa and Allterain Services Group (ATS) as well as an input on branding by long-time VAA supporter, Dongh Lane of Brand Led Growth.

Iriaini Tea Coop (teabags), Meru Herbs (herbal teas) and Ka Tutandike (honey) were each supported through the process of developing branding and packaging for their products. This programme was managed by Kristina Moody with generous design services provided pro-bono by Zeus Creative, Osan Nimu, Dynamo and Laura Macauley. In the process Emma Alken became our resident expert on the technical requirements of food product labelling, and each of the partners became compliant with the new regulations coming into force in the EU in 2015.

Having a well prepared marketing strategy is essential for African companies seeking to target international markets. Tom Harper provided professional consultancy services pro bono to Meru Herbs. With VAA's nomination, Meru Herbs along with Melvin's Teas and Iriaini Tea were invited into the larger CBI (Holland) programme of capacity building.

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Chairperson's Statement

For the year ended 31 December 2013

VAA provides mentoring to its producer partners who consult us on choices and problems they face. VAA carries out market research and feeds back this market information and analysis helping African producers promote their products in Europe. A number of producers were put in touch with relevant Irish food companies to advise them on technical matters.

We seek to turn our knowledge about markets into tools that can be used by African producers and disseminated widely. One of the tools developed by VAA assists African producers to understand the distribution chain from their factory through to consumers in Europe and to calculate the costs along that chain and compare prices to products already on the market. VAA teamed up with Umati Solutions, a Nairobi start up tech company who are turning the tool into a mobile phone app. We were delighted in October when the prototype app was awarded the World Bank M-Agri Award. The prize was that Umati technical Larry Muka travelled to Washington for a week of an App Boot Camp.

Market Linking

An alliance was formed with the UK organisation, Forum for the Future, which already has structured relationships with the UK's top tier of retailers and brands. In autumn 2013 we jointly initiated a piece of research to engage British retailers and brands in how they see Africa growing in their sourcing strategies in the coming decades. This process was undertaken following the June 2013 board planning day where it was decided that a more strategic engagement with the top levels of business was necessary rather than approaching them largely at the level of buyers.

In the UK, Meru Herbs achieved its first order from Just Trading Scotland and a second wholesaler has indicated their intention to buy Meru products

Meanwhile in Ireland VAA sales included an order of hoodies from Lifeworks Shukrani (Kenya) made by the Enactus group at Trinity College Dublin. Beers proved the most resilient product with Tusker (Kenya) and Star (Nigeria) lagers both holding their place on the Irish market. Bell from Uganda and Serengeti from Tanzania were also introduced but did not win repeat orders.

The VAA business product offering has been greatly strengthened due to a number of factors. The knowledge of which products are most export ready is more accurate. The information which we present to buyers is more structured and VAA's reputation among the business community in the UK has grown substantially.

Meru Herbs became the first African producer group to be awarded a license to operate the Proudly Made in Africa label.

Development Education and Public Awareness

Following the feasibility study and baseline survey published in March, and in collaboration with UCD School of Business, the Development Education Officer was granted the title of 'Proudly Made in Africa Fellow in Business and Development'. This represented rapid progress in the objective of the role - to mainstream development education issues into business schools. A delay in starting the programme meant that Siobhan McGee was appointed just before Christmas.

The Transition Year development education resource was printed and disseminated to every school in the country operating Transition Year; training for teachers was provided. The Volunteer Awareness Raising Group initiated in 2012 grew steadily through the year, ably facilitated by Kristina Moody, and held a sequence of public awareness raising initiatives during the year.

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Chairperson's Statement

For the year ended 31 December 2013

VAA held a number of events to demonstrate the high quality of African made goods. The first African Roasted Coffee Cupping event was held where professional baristas publicly tasted a range of Kenyan roasted brands. In December a blitz of beer tastings were held in off licenses promoting the brands Tusker and Star.

When Sally Sawaya Kimoto of Meru Herbs visited Ireland in April VAA held a business breakfast chaired by Marian Finucane and Sally featured on RTE television. Sally's visit also included a number of meetings with wholesalers in Ireland and the UK - leading to the sale with Just Trading Scotland.

We were delighted to receive an Africa Day Award in the business category.

The visit of Andrew Rugasira of Good African Coffee Company (Uganda) to attend the Africa-Ireland Economic Forum provided an opportunity to launch his autobiography in an event held jointly with Irish Aid and Bewley's. The Michelin starred restaurant 'Chapter One' commended Claudio Corallo's chocolate in their new book saying:

'I don't think anyone in the world takes making chocolate as seriously as Claudio Corallo does'.
(Ross Lewis, Chef at Chapter One)

Inputs were made by Mr O'Caomh and Ms Hardiman into development education trainings and conferences being held by Suas, Comhlamh, ICTU, Trocaire, Gorta, Viatores Christi and the Liberia Solidarity Group.

Social media has also been an important place for VAA building up the profile of African producers and we were delighted during the year to more than double our following on Facebook and Twitter.

A new proudlymadeinafrica.org website was launched. This project was managed by Dublin based website design company Framework Design on a pro-bono basis. VAA is committed to good practice in how we portray Africa and Dóchas found us to be in compliance with the Code of Conduct on Images and Messaging.

Policy Engagement

VAA also seeks to provide input to policy processes which influence African producers. In May Mr O'Caomh was invited to address the Dail parliamentary committee on Foreign Affairs.

We participated in the public consultations regarding the Irish Aid white paper review, One World, One Future. Conall was invited by the department to respond to the paper at a gathering by the Minister with NGOs. Our input focused on the need for mechanisms to promote value addition when seeking increases in African trade. Later VAA submitted a paper to Irish Aid on implementation of the policy on trade stated in One World, One Future.

VAA has been active in creating a group of NGOs in a peer learning process about how NGO programming can engage markets so as to create livelihoods and reduce poverty. The group held several meetings during the year and continued into 2014. A number of organisations sought one-to-one consultation on their work in relation to markets development. Coordination and information sharing meetings were held with Traidlinks, Connect Ethiopia, ICOS and Fairtrade Mark Ireland.

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For the year ended 31 December 2013

Organisational Development

As a young organisation VAA continues to build up its expertise and ability to continue the VAA mission.

VAA is at the mid-point of a three-year Irish Aid Civil Society Fund programme, and also receive Development Education funding from Irish Aid. Thanks to our own fundraising efforts and co-financing from Trocaire, Concern, Gorta and the Marist Fathers we reduced our dependence on Irish Aid to 63%, safely within the target set at the outset. VAA's earned income increased and private donations were maintained at a constant level. Special thanks to Eadaoin Pearse for once again organising charity bag-packing at supermarkets, and to the group of socialites behind the 'singles night'. An MOU was also signed with the Malawi Investment and Trade Council for activity that will take place in 2014.

Following the strategic decision of 2012, the boards of VAA Ireland and VAA UK include all of the same people. The Board recruited one new member, Sharon Johnson, formerly Rights Programme Director at The Elders, and a strategist at Virgin Unite. John Soden retired from the board. The Board met five times during the year including a full day meeting in Dublin in June which incorporated the AGMs for both VAA Ireland and VAA UK.

A number of additions to VAA's staff greatly strengthened the organisation in 2013. Michelle Hardiman has started as Sourcing Manager and Deputy Director at the end of 2012. We were blessed with three interns, Emma Alken, Kristina Moody and Sinead McGrath who each worked with VAA for over a year and collectively brought great stability and expertise to the staff team. Anne-Claire Pacteau, Dan Burns, Niamh Manning and Tim Ogienwonyi each served periods as interns. As the year closed we were delighted to appoint Siobhan McGee as the Development Education Officer and PMIA Fellow at UCD School of Business.

A number of partnerships were developed with other organisations which enhance our work. In Kenya we have formed a partnership with ACTIF the industry federation for cotton and garments, and also with Strathmore Business School on business training, and with Umati Solutions on mobile app development. Partnerships have also been developed with Responsify (Ethiopia), Ka Tutandike (UK and Uganda) and Forum for the Future (UK).

Effective development work requires methods for measuring progress in the lives of one's partners in the South. VAA's intervention is different from that of many traditional NGOs in that our partners are companies rather than families, so the information we can gather is different. Emma Alken carried out a baseline survey measuring the marketing capacity of our producer partners. This information was used to assess where on a scale of market preparedness each of the producers was at the outset of the programme. This baseline will be used later to measure progress in the growth of the capacity of the producers and the effectiveness of VAA's work.

VAA's internal systems were developed considerably during the year. Ger Fleming, accountant, moved VAA's accounts to a cloud based complete package. Michelle Hardiman oversaw the restructuring of our data retention systems for producer information and business engagement.

Joseph Ward

Chairperson, Value Added in Africa Limited

Date : 14 July 2014

Value Added in Africa Limited

Directors' Report

For the year ended 31 December 2013

The directors present their report together with the audited financial statements for the year ended 31 December 2013.

Principal activity and review of business

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. The company's income increased from €152,074 to €205,030 during the year. The company had a surplus for the year of €51,656 (2012 - €65,860) and had net assets at the year end of €128,358 (2012 - €76,702).

Surplus for the year and state of affairs as at 31 December 2013

The income and expenditure account, balance sheet and related notes for the year ended 31 December 2013 are set out on pages 11 to 18. Surplus on ordinary activities before taxation is stated in the income and expenditure account on page 11.

The state of affairs is set out in the balance sheet on page 12.

Dividends and retentions

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

Directors

The present membership of the board is set out on the company information page.

Future developments in the business

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

Accounting records

The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990, with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books and records of the company are maintained at Ardan, Windgate Road, Howth, Co. Dublin.

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.

Value Added in Africa Limited

Directors' Report

For the year ended 31 December 2013

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. The company signed a three year funding contract with Irish Aid, receiving €78,000 in 2012, €100,000 in 2013, and €120,000 in 2014.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The company's financial statements are required by law to give a true and fair view of the state of affairs of the company and of its surplus or (deficit) for that year.

In preparing each of the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 2013 and all Regulations to be construed as one with those Acts. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts, 1963 to 2013.

Electoral Act, 1997

The company made no political donations during the year.

Post balance sheet events

There were no significant events affecting the company since the balance sheet date.

Value Added in Africa Limited

Directors' Report

For the year ended 31 December 2013

Auditors

Cooney Carey Accounting Limited, Chartered Accountants and Registered Auditors have expressed their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On Behalf of the Board

Joseph Ward

Director

Caoimhan Considine

Director

Date:- 14 July 2014

Value Added in Africa Limited

Report of the Auditors

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 2013 which comprise primary statements such as the Profit and Loss Account, the Balance Sheet and related notes. 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 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 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 the audit work, for this report, or the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the Directors' Report on pages 6 - 8 the directors are responsible for the preparation of the financial statements giving a true and fair view. 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 Practice Board's (APB'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' Report 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 in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31 December 2013 and of its surplus and cashflows for the year then ended and have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Value Added in Africa Limited

Report of the Auditors

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

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Matters on which we are required to report by the Companies Acts 1963 to 2013

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. In our opinion the information given in the directors' report is consistent with the financial statements. The financial statements are in agreement with the books of account.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 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 and
Registered Auditors
The Courtyard
Carmanhall Road
Sandyford
Dublin 18

Date: 14 July 2014

Value Added in Africa Limited

Income and expenditure account

For the year ended 31 December 2013

		2013	2012
		€	€
	<u>Notes</u>		
Turnover - continuing activities		205,030	152,074
Net operating expenses		(153,374)	(86,214)
Surplus on ordinary activities before taxation	2	51,656	65,860
Taxation	3	-	-
Surplus on ordinary activities after taxation	5	51,656	65,860

No statement of recognised gains and losses has been prepared as there have been no recognised gains or losses other than those shown above.

There is no material difference between the surplus on ordinary activities before tax and the surplus for the year and their historical cost equivalents.

The financial statements which include the notes on pages 14 - 18 were approved by the board and authorised for issue on 14 July 2014.

On Behalf of the Board

Joseph Ward

Director

Caoimhan Considine

Director

Value Added in Africa Limited

Balance sheet as at 31 December 2013

	<u>Notes</u>	2013 €	2012 €
FIXED ASSETS			
Tangible assets	6	<u>590</u>	<u>456</u>
CURRENT ASSETS			
Debtors	7	175	709
Cash at bank and in hand		<u>141,177</u>	<u>81,159</u>
		141,352	81,868
CREDITORS: amounts falling due within one year	8	<u>(13,584)</u>	<u>(5,622)</u>
NET CURRENT ASSETS		<u>127,768</u>	<u>76,246</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>128,358</u>	<u>76,702</u>
FINANCED BY:			
CAPITAL AND RESERVES			
Revenue reserves account		<u>128,358</u>	<u>76,702</u>
MEMBERS' FUNDS	10	<u>128,358</u>	<u>76,702</u>

The financial statements which include the notes on pages 14 - 18 were approved by the board and authorised for issue on 14 July 2014.

On Behalf of the Board

Joseph Ward

Director

Caoimhan Considine

Director

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Cash flow statement

For the year ended 31 December 2013

	<u>Note</u>	2013 €	2012 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus		51,656	65,860
Depreciation		71	67
Decrease in debtors		534	1,465
Increase in creditors		7,962	527
Net cash inflow from operating activities		<u>60,223</u>	<u>67,919</u>
Cash Flow Statement			
Net cash inflow from operating activities		60,223	67,919
Capital expenditure	12	(205)	(139)
Increase in cash in the year		<u>60,018</u>	<u>67,780</u>
Reconciliation of net cash flow to movement in net funds (Note 13)			
Increase in cash in the year		60,018	67,780
Net funds at 1 January 2013		81,159	13,379
Net funds at 31 December 2013		<u>141,177</u>	<u>81,159</u>

Value Added in Africa Limited

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and the Companies Acts 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council, as promulgated by The Institute of Chartered Accountants in Ireland.

1.2. Tangible 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 & Fittings	10% Straight Line
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Tangible assets are review annually for permanent impairment.

1.3. Income and expenditure

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

Revenue grants are recognised fully in the profit and loss account in the period as the expenditure is incurred.

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.

2. Surplus on ordinary activities after taxation

	2013	2012
	€	€
Surplus on ordinary activities after taxation is stated after charging:		
Depreciation of tangible assets	71	67
Auditors' fees	1,937	1,845
	<u> </u>	<u> </u>

3. Taxation

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

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Notes to the Financial Statements

For the year ended 31 December 2013

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4. Employees and remuneration

	2013	2012
The average number of persons employed by the company during the year was as follows:	<u>2</u>	<u>3</u>

	2013	2012
	€	€
Wages and salaries	75,747	48,830
Social welfare costs	7,717	4,469
	<u>83,464</u>	<u>53,299</u>

5. Revenue reserves movements

	2013	2012
	€	€
Surplus on ordinary activities after tax	51,656	65,860
Retained surplus brought forward	76,702	10,842
Retained surplus carried forward	<u>128,358</u>	<u>76,702</u>

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Notes to the Financial Statements

For the year ended 31 December 2013

..... continued

6. Tangible assets

	Fixtures & Fittings €	Total €
Cost		
At 1 January 2013	648	648
Additions	205	205
At 31 December 2013	<u>853</u>	<u>853</u>
Depreciation		
At 1 January 2013	(192)	(192)
Charge for the year	(71)	(71)
At 31 December 2013	<u>(263)</u>	<u>(263)</u>
Net book values		
At 31 December 2013	<u>590</u>	<u>590</u>
At 31 December 2012	<u>456</u>	<u>456</u>

The company had no capital commitments at the year end.

**7. Debtors: amounts falling due
after more than one year**

	2013 €	2012 €
Other debtors	-	535
Prepayments	175	174
	<u>175</u>	<u>709</u>

Value Added in Africa Limited

Notes to the Financial Statements

For the year ended 31 December 2013

..... continued

8. Creditors: amounts falling due within one year

	2013	2012
	€	€
Trade creditors	106	-
Accruals	6,560	1,845
PAYE/PRSI	6,918	3,777
	<u>13,584</u>	<u>5,622</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 movements in members' funds

	2013	2012
	€	€
Surplus on ordinary activities after tax	51,656	65,860
Opening members' funds	76,702	10,842
Closing members' funds	<u>128,358</u>	<u>76,702</u>

11. Share capital

The company is one limited by guarantee and not having a share capital.

Value Added in Africa Limited

Notes to the Financial Statements

For the year ended 31 December 2013

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12. Gross cash flows

	2013	2012
	€	€
Capital expenditure		
Payments to acquire tangible assets	(205)	(139)
	<u> </u>	<u> </u>

13. Analysis of changes in net funds

	Opening balance €	Cash flows €	Closing balance €
Cash at bank and in hand	81,159	60,018	141,177
Net funds	<u>81,159</u>	<u>60,018</u>	<u>141,177</u>

14. 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.

Value Added in Africa Limited

Detailed Income & Expenditure Account

For the year ended 31 December 2013

	2013	2012
	€	€
Income		
Voluntary income: donations	12,773	15,757
Fundraising receipts	3,254	4,560
Irish Aid Grant - Civil Society Fund	100,000	78,000
Trocaire	19,500	13,000
Concern	6,000	6,000
Marist Fathers	5,000	5,000
Gorta	20,000	-
Irish Aid DEU - education grant assistance	30,000	20,250
Commission	-	72
Workshop and other income	8,503	2,435
Total Income	205,030	152,074
Expenditure		
Direct programme costs		
1. Research of pro-poor African producers		
Producer research visits	4,053	2,613
Trade shows	2,699	-
2. Build African producer capacity		
Market preparation visit to Kenya	3,227	3,933
Seminars	2,696	76
Packaging design	739	-
Peer support	20	-
Consumer demand	150	-
3. Market linking		
Transit of samples provided by producers	472	64
Print	-	66
Travel to sales meetings	2,519	1,662
Trade shows	2,619	958
Market linking	7,994	-
4. Building consumer demand in Europe	563	2,337
5. Development education		
Development education activities	6,597	195
Development education market research	5,920	2,713
Development education pack	3,287	-
Development education consultant	2,698	4,413

Value Added in Africa Limited

Detailed Income & Expenditure Account

For the year ended 31 December 2013

	2013	2012
	€	€
6. Personnel		
Salary - director (incl. employer PRSI)	48,528	33,221
Salary - market linking manager (incl. employers PRSI)	29,423	12,278
Salary - market linking officer (incl. employer PRSI)	5,513	7,800
Interns	5,972	5,083
Logistics consultant	6,289	1,600
Book keeper	6,625	2,500
Subtotal: programme direct costs	148,603	81,512
7. Indirect programme costs		
Rent (VAA UK post address)	214	141
Services/utilities	1,889	1,744
Supplies	668	972
Audit/tax/reg	2,000	1,845
Subtotal: indirect programme costs	4,771	4,702
Total expenditure	153,374	86,214
Surplus of income over expenditure	51,656	65,860