

Registration Number 152968
Charity Number CHY 9670

VITA (RTI) Limited
(A Company Limited by Guarantee and not having a Share Capital)

Directors' Report and Financial Statements

for the year ended 31st December 2011

VITA (RTI) Limited
(A Company Limited by Guarantee and not having a Share Capital)

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VITA (RTI) Limited

(A Company Limited by Guarantee and not having a Share Capital)

Company Information

Chairman	Larry O' Loughlin (Appointed 1st January 2011)	
President	Fr. Norman Fitzgerald	
Directors	Brian Buggy Seamus Crosse (Appointed 27th October 2011) Patricia Hallahan Tom Barry Geraldine Etchingham (Appointed 15th January 2011) Fr. Brian Starken Brian Weber (Appointed 9th July 2012) Chantall McCabe (Appointed 21st December 2011)	
Secretary	John Wallace	
Company Number	152968	
Charity Number	CHY 9670	
Registered Office	16 - 17 Ormonde Quay Upper Dublin 7	
Auditors	Anne Brady McQuillans DFK Chartered Accountants & Registered Auditors Iveagh Court Harcourt Road Dublin 2	
Business Address	16 - 17 Ormond Quay Upper Dublin 7	
Principal Bankers	Bank of Ireland Kill O' The Grange Co. Dublin	Bank of Ireland Drumcondra Dublin 9
Solicitors	Matheson Ormsby Prentice Solicitors 70 Sir John Rogerson's Quay Dublin 2	

VITA (RTI) Limited

(A Company Limited by Guarantee and not having a Share Capital)

Directors' Report for the year ended 31st December 2011

The directors present their report and the audited financial statements for the year ended 31st December 2011.

Principal Activity

Introduction

VITA (RTI) Limited is an Irish International Development Agency founded in Ireland in 1989 under the name Refugee Trust by Father Kevin Doherty with Mother Teresa as founding patron. The original aim was to provide emergency aid to refugees. In 2005 the name was changed to VITA (RTI) Limited (meaning way of life in Latin), to reflect the focus on building sustainable livelihoods. VITA (RTI) Limited has worked in the Horn of Africa since 2000 and has field offices in Eritrea, Ethiopia and Kenya close to the rural communities being supported. VITA (RTI) Limited employs 25 national staff in the programme countries led by national country directors who manage and control VITA (RTI) Limited projects at local level. VITA (RTI) Limited's Board of Directors comprises ten senior Irish development and business professionals. VITA (RTI) Limited projects with funding of almost €12m have brought an impact and tangible benefit to the lives of over 250,000 poor people in the Horn of Africa since 2000.

VITA (RTI) Limited upholds the values upon which the charity was founded in 1989; respect for people and cultures, partnership to bridge the gulfs which divide Irish and African people and their governments, and empowerment of African communities. VITA (RTI) Limited at the same time brings value of professional management to programmes; impact at household level, accountability to Irish and international donors and learning through collaboration with knowledge partners.

VITA (RTI) Limited Vision

Rural African families empowered to sustain their livelihoods.

VITA (RTI) Limited Mission

To tackle household food insecurity through community led sustainable agriculture projects that are scalable and replicable, with a special focus on women as the key enablers of sustainable development.

VITA (RTI) Limited
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Directors' Report
for the year ended 31st December 2011

..... continued

VITA (RTI) Limited's development approach is to bring innovative technologies and approaches to help rural communities fight hunger in a sustainable way, and to develop models which have an impact reaching beyond those communities and countries. VITA (RTI) Limited works directly with communities and governments to achieve the first UN millennium development target (MDG) of halving hunger by 2015, while sustaining the environment and empowering women to support their families. VITA (RTI) Limited develops and carries out agriculture projects with local government and civil society partners. These projects enable members of rural households to improve their farming and nutrition as well as increasing farm production and incomes. VITA (RTI) Limited builds the capacity of the local partners to implement the projects within the spirit of local empowerment. This enables successful models to be scaled up. It also improves how the local government office involves and listens to communities in agriculture planning and projects. VITA (RTI) Limited advocates at a national and international level to promote an increase in the quantity and appropriate quality of resources for community led sustainable agriculture in Africa.

Business Review

The company is limited by guarantee and does not have a share capital. The board of directors conducts quarterly and ad hoc board as well as sub-committee meetings focused on programme, funding, audit, finance and governance oversight as well as support for management. The board has a balance of competencies and wide experience in programme, agriculture, business, legal and financial areas. Sub-committees work to agreed terms of reference.

In 2011 VITA (RTI) Limited generated total incoming resources (unrestricted) of €892,129, an increase of 30% over 2010. This fundraising performance was exceptional resulting from generous donations from philanthropists and partners. The cost of generating funds along with governance costs were at a similar level to 2010. Thus the increase in income resources resulted in a surplus of €531,445 from operations in Ireland before allowing for programme funding. VITA (RTI) Limited carried forward into 2011 programme co-funding commitments to donors, communities and partners of over €350,000. In order to complete programmes and fulfil such co-financing commitments and in the absence of 2011 follow-on funding from Irish Aid, VITA (RTI) Limited disbursed €531,380 of unrestricted funds to fund programme work / charitable activities.

Financial Results

The results for the year show incoming resources of €65 (2010 : €28,122). The results for the year are set out on page 15.

Directors

VITA (RTI) Limited
(A Company Limited by Guarantee and not having a Share Capital)

Directors' Report
for the year ended 31st December 2011

..... continued

The directors who served during the year are set out on page 1.

Transactions involving Directors

There were no contracts or transactions in relation to the business of the company in which the directors had any interest at any time during the year ended 31st December 2011.

Going Concern

As explained in note 4 to the financial statements, the directors believe the company has adequate resources to continue in operational existence for the foreseeable future. On this basis it is deemed appropriate to continue to prepare the accounts on a going concern basis.

Books of Account

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at the registered office at 16 - 17 Ormonde Quay Upper, Dublin 7, .

Events after the Balance Sheet Date

There have been no circumstances or events subsequent to the year end that require adjustment to, or disclosure in the financial statements or in the notes thereto.

VITA (RTI) Limited
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Directors' Report
for the year ended 31st December 2011

..... continued

Principal Risks and Uncertainties

The directors are responsible for and aware of the major risks to which the charity is exposed, in particular those related to the operations and finances of the organisation, and are satisfied that systems are in place to mitigate exposure to major risks. VITA (RTI) Limited's risk register has been updated to identify and quantify all risks and ensure that mitigating measures are in place for all critical risks. The Audit Finance and Governance Sub-Committee has the mandate to oversee management of risk and propose additional measure where deemed appropriate. The directors have assessed the risks and have taken measures to manage these risks in VITA (RTI) Limited. VITA (RTI) Limited faced some critical risks during 2011 in relation to financial solvency and organisational viability which were substantially resolved by year end due to an intensive fundraising campaign yielding unrestricted income for 2011 of €892,129. VITA (RTI) Limited's board of directors has been enhanced with the appointment of two well qualified and experienced accountants to provide oversight of financial decisions and commitments made by management. In relation to reserves, VITA (RTI) Limited has taken measures to work towards fulfilling the organisation's reserves policy, which requires having in place designated funds of 5% of total income plus three months programme spend by end of 2014.

An organisational cost and income model has been put in place to ensure an operating surplus of unrestricted income over costs. The Board is closely managing financial risk in relation to programmes by ensuring that potential co-financing liabilities are avoided by having co-funding identified in advance of programme work. These measures are expected to result in annual net income of €100,000 in 2012 and €200,000 in 2013 and again in 2014 which would enable reserves to reach €500,000 to €600,000 by end of 2014 in line with the Reserves Policy.

Regarding impact risk of programmes, VITA (RTI) Limited is working under Irish Aid guidelines to establish clear baselines on measurable indicators under results frameworks for programmes. Country program risk in the case of Eritrea has been identified as a critical risk and an exit strategy has been under preparation with a view to possible withdrawal at the end of 2013 if a satisfactory operating mandate and environment is not in place. Country co-financing exposure and general operating exposure is being strictly controlled. Fraud Risk is mitigated by maintaining segregation of duties for receipt of funds, and the payment of creditors. Management have put processes and controls in place to ensure that detailed checking is carried out at all stages to ensure the accuracy and validity of all transactions. Directors have carried out assessments of in-country financial systems and staffing.

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Directors' Report
for the year ended 31st December 2011

..... continued

Future Developments

During 2011, VITA (RTI) Limited applied €531,380 of unrestricted funding to finance programme work. Going into 2012 and based on funding secured from core donors as well as co-financing partners in the first half of 2012, VITA (RTI) Limited has co-funding in place for programme work and will not be required to use unrestricted reserves to the same extent. This will allow surplus funding to be applied to build reserves in line with the reserves policy as well as minimise the risk of financial overstretch experienced in 2011.

VITA (RTI) Limited will continue to seek organisational collaboration or merger with like-minded NGO's as well as with other development organisations. This will be initiated with or alongside programme level collaboration with a view to engaging high level expertise in agriculture and climate change and pooling resources for up-scaling of agriculture and climate change interventions.

Auditors

The auditors, Anne Brady McQuillans DFK, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

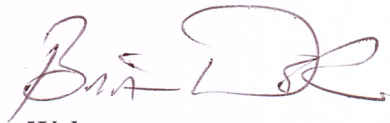
Companies (Amendment) Act, 1986

The reporting requirements of the Companies (Amendment) Act, 1986 relating to Financial Statements do not apply as VITA (RTI) Limited is a company limited by guarantee and not having a share capital.

On behalf of the Board

Seamus Crosse

Seamus Crosse
Director



Brian Weber
Director

Date: *5th* *November 2012*

VITA (RTI) Limited

(A Company Limited by Guarantee and not having a Share Capital)

Report of Outgoing and Incoming Chairpersons for the year ended 31 December 2011

The world continues to struggle to feed itself and with one billion hungry children, women and men, the need for sustainable food production is quite obvious. During 2011 with the support of VITA (RTI) Limited, communities in Eritrea and Ethiopia continued to develop models of community led agriculture and self-reliance, but there is still so much to do all across the globe to transfer technology, develop capacity and build meaningful partnerships.

Some of the outstanding achievements of VITA (RTI) Limited's programme work which concluded in 2011 include:

- 20,000 Eritrean women built fuel saving stoves in their homes with multiple health and environmental benefits
- Over 10,000 Ethiopian farmers increased food production and self-reliance
- Over 5,000 Eritrean families increased the amount of grain harvested from their farms
- 400 Ethiopian farmers doubled potato production and provided better seeds to others

Working in a challenging environment, VITA (RTI) Limited's work has been strongly endorsed by host governments and in particular by the European Union which is VITA (RTI) Limited's biggest donor partner. In Ethiopia, VITA (RTI) Limited was awarded first prize with a certificate and trophy in recognition for work done under their food facility, while in Eritrea, VITA (RTI) Limited was the sole development agency in the country to be awarded funding for new projects during 2011. Government ministers and local administrators in partner countries have vocally attested to the impact of VITA (RTI) Limited's work in communities. VITA (RTI) Limited is proud of our contribution which has been seen to deliver impact amongst farmers and also at a more strategic level.

The funding base of the VITA (RTI) Limited Programme continues to be challenging. VITA (RTI) Limited's programmes were threatened by serious financial challenges during 2011, and the organisation faced risks to present and future programmes. However, the support of our partners and supporters allowed VITA (RTI) Limited to fulfil our commitments and look to the future going into 2012 with a justified degree of optimism. VITA (RTI) Limited's Board would like to express our gratitude to those who stood by us and provided vital funding and moral support during this difficult period.

VITA (RTI) Limited

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**Report of Outgoing and Incoming Chairpersons
for the year ended 31 December 2011**

External audits have indicated the need for VITA (RTI) Limited to further strengthen governance systems and enhance oversight. During 2011, VITA (RTI) Limited appointed a new chairperson of the Finance Sub-Committee and conducted a number of board meetings focused on governance matters. Since 2010, VITA (RTI) Limited has seen organisation level collaboration and possible merger as an appropriate route which could allow VITA (RTI) Limited to focus on cutting edge programming supported by greater resources. VITA (RTI) Limited has already approached a number of like-minded agencies in this regard. While no organisational collaboration has yet unfolded, VITA (RTI) Limited will continue to seek collaborations which can enhance programmes and the organisational base to support those programmes.

On behalf of the Board, I would like to express our heartfelt gratitude to the volunteers who have supported VITA (RTI) Limited in our Kilkenny and Dundalk shops, and at events held up and down the country. Your work is vital to VITA (RTI) Limited. We would also warmly acknowledge the tireless efforts of the management team in building quality programmes in difficult circumstances. Finally we look forward to working with the Irish Government through Irish Aid to advance Ireland's leadership and footprint in tackling global hunger.

On behalf of the Board

Seamus Crosse

**Seamus Crosse
Incoming Chairman**



**Larry O' Loughlin
Outgoing Chairman**

Date: *5th November 2012*

VITA (RTI) Limited

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Report of the Chief Executive for the year ended 31st December 2011

The African dawn is most breathtaking to behold, and in 2011 a new dawn for Africa continues to emerge out of the darkness of the food, energy and environmental crises which still besets the continent and the planet. Climate change is wreaking havoc on African farmers and families as crops fail and water diminishes. Global food and fuel prices spiral as demand exceeds supply, causing further hardship. Never more has the "one world" reality hit home to approximately two hundred million mothers in Africa as they strive for the food, water and fuel wood to sustain their families. Still hope springs eternal, and technological advances and better development models can more than ever transform the landscape. The Western World, even as we pollute our planet, has never had more potential to provide the food and energy technology to make Africa, and the world, more sustainable.

In VITA (RTI) Limited in 2011 we have been identifying our core expertise and added value in order to play an innovative role in delivering large-scale and meaningful change in the lives of African families. Large-scale means not hundreds or thousands but hopefully millions of lives, by creating innovative models of change that can be scaled up across countries. Meaningful means delivering measurable results which demonstrably improve lives - less drudgery, less disease, more nutrition, more money. Especially more empowerment to enable families and governments to own their own destiny, free from aid dependency.

The humble potato has the potential to double food production for millions of families. The improved cook stoves can half the usage of scarce fire wood. During 2011 VITA (RTI) Limited commenced new programmes in Eritrea and Ethiopia in ever closer partnership with government partners and local groups to create scalable models for national dissemination of potatoes and stoves.

It would be remiss not to express our particular gratitude to VITA (RTI) Limited's partners in Ireland. The evolving partnership with the Irish Potato Federation and the contribution of John O'Shea has given VITA (RTI) Limited a new energy and technical focus. The Sisters of Mercy Western Province, Bank of Ireland Group Employees and Electric Aid deserve special mention for their support in 2011 which enabled vital food and livelihood projects to happen when resources were so scarce. VITA (RTI) Limited's volunteers, particularly in the Kilkenny shop as well as in Dundalk have been hugely supportive. Three hugely generous benefactors made personal grants which were pivotal in VITA (RTI) Limited's survival and growth. At the same time VITA (RTI) Limited lost a great champion when Bernadette McKenna lost her courageous fight against a debilitating illness in January of 2012, but her memory and legacy continues to inspire our work.

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**Report of the Chief Executive
for the year ended 31st December 2011**

Finally yet first and foremost to mention the great people and cultures of Eritrea and Ethiopia. In the development business we are privileged to be able to work alongside such great and generous people, and learn the vital lesson of how dignity and sharing can shine through in times of scarcity. Africa is on the rise, and with the rise of Africa we will be closer to global sustainability. We look forward in 2012 and beyond to making a humble contribution to such a noble cause.

John Weakliam
Chief Executive



Date:

5 Nov 2012

VITA (RTI) Limited

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**Statement of Directors' Responsibilities
for the Members' Financial Statements**

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

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the results of the company for that year.

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

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

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

The directors' are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts, 1963 to 1983 and 1990 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board



**Seamus Crosse
Director**



**Brian Weber
Director**

Date: 5th November 2012

VITA (RTI) Limited

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Independent Auditors' Report to the Members of VITA (RTI) Limited

We have audited the financial statements of VITA (RTI) Limited for the year ended 31st December 2011 which comprises the Statement of Financial Activities, Balance Sheet, Cashflow Statement and the related notes. These financial statements have been prepared under the accounting policies set out on page 18.

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 opinion we have formed.

Respective Responsibilities of Directors and Auditors

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

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

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 1983 and 1990 to 2012. We also report to you whether in our opinion: proper books of account have been kept by the Company and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the financial statements are in agreement with the books of account.

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

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

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Independent Auditors' Report to the Members of VITA (RTI) Limited

Basis of Audit Opinion

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

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

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31st December 2011 and of its incoming resources, including income and expenditure for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 1983 and 1990 to 2012.

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


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

VITA (RTI) Limited

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Independent Auditors' Report to the Members of VITA (RTI) Limited

Section 40(1) of the Companies (Amendment) Act 1983 does not apply as the company is limited by guarantee.



Natalie Kelly (Statutory Auditor)

for and on behalf of

Anne Brady McQuillans DFK

Chartered Accountants

& Registered Auditors

Iveagh Court

Harcourt Road

Dublin 2

Date:

VITA (RTI) Limited
(A Company Limited by Guarantee and not having a Share Capital)

Statement of Financial Activities
for the year ended 31st December 2011

	Note	Restricted Funds 2011 €	Unrestricted Funds 2011 €	Total 2011 €	Total 2010 €
Incoming Resources					
Incoming resources from restricted activities					
- government grants and institutional co-funds	2	1,391,778	-	1,391,778	2,418,324
Incoming resources from generated funds					
- voluntary income	2		782,538	782,538	560,561
- income from trading activities	2		108,724	108,724	115,135
Other incoming resources	2		867	867	13,806
Total Incoming Resources		1,391,778	892,129	2,283,907	3,107,826
Resources Expended					
Charitable activities and governance costs		1,391,778	531,380	1,923,158	2,715,628
Costs of generating funds					
- cost of generating voluntary income	3		297,897	297,897	298,879
- cost of generating trading income	3		62,787	62,787	65,197
Total Resources Expended		1,391,778	892,064	2,283,842	3,079,704
Net Incoming Resources for the year		-	65	65	28,122
Fund balances at beginning of year		-	117,142	117,142	89,020
Fund balances at end of year		-	117,207	117,207	117,142

Income and expenditure arises from continuing operations. The organisation has no recognised gains or losses other than the movement in funds for the period therefore there was no requirement to produce a statement of recognised gains or losses.

The notes on pages 18 - 28 form part of the financial statements

The financial statements were approved by the Board on behalf by

and signed on its

Seamus Crosse
Director

Seamus Crosse

5th November 2012

Brian Weber
Director

Brian Weber

5th November 2012

VITA (RTI) Limited
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Balance Sheet
as at 31st December 2011

		2011		2010	
Notes	€	€	€	€	€
Fixed Assets					
Tangible Assets	9		8,319		24,679
Current Assets					
Debtors	10	94,220		33,770	
Cash at bank and in hand		761,578		908,318	
		855,798		942,088	
Creditors: Amounts falling due within one year	11	(746,910)		(849,625)	
Net Current Assets/(Liabilities)			108,888		92,463
Net assets			117,207		117,142
Unrestricted funds	15		117,207		117,142
Restricted funds	16		-		-
Total Funds			117,207		117,142

The notes on pages 18 - 28 form part of these financial statements.

The financial statements were approved by the Board on _____ and signed on its behalf by

Seamus Crosse
Director

Seamus Crosse

5th November 2012

Brian Weber
Director

Brian Weber

VITA (RTI) Limited
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Cash Flow Statement
for the year ended 31st December 2011

	Notes	2011 €	2010 €
Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities			
Incoming resources less interest receivable		(802)	14,316
Depreciation		16,360	15,076
(Increase) / decrease in debtors		(60,450)	39,793
(Decrease) in creditors		(102,715)	(1,520,874)
Net Cash (Outflow) from Operating Activities		<u>(147,607)</u>	<u>(1,451,689)</u>
 Cash Flow Statement			
Net cash (outflow) from operating activities		(147,607)	(1,451,689)
Returns on investments and servicing of finance	14	867	13,806
Capital expenditure	14	-	(1,722)
(Decrease) in Cash in the year		<u>(146,740)</u>	<u>(1,439,605)</u>
 Reconciliation of Net Cash Flow to movement in Net Funds (Note 17)			
(Decrease) in cash in the year		(146,740)	(1,439,605)
Net Funds at 31 December 2010		908,318	2,347,923
Net Funds at 31 December 2011	17	<u>761,578</u>	<u>908,318</u>

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

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 comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Taxation in Ireland and with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charity Commissioners in 2005.

The reporting requirements of the Companies (Amendment) Act, 1986 relating to Financial Statements do not apply as VITA (RTI) Limited is a company limited by guarantee and not having a share capital.

1.2. Incoming Resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivable basis. Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when:

- Admission fees or performance related grants are received in advance of the performances or event to which they relate.

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Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

1.3. Resources Expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.4. Volunteers and Donated Services

The value of services provided by volunteers is not incorporated into these financial statements. Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

1.5. Gifts-in-Kind

Gifts of assets are included in income at a reasonable estimate of their value, at the date received. These assets are treated as either tangible fixed assets or current assets depending on whether the gift is to be disposed of or retained for use by the company. Gifts for fundraising purposes are accounted for when realised.

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

1.6. Tangible Fixed Assets

Tangible fixed assets are stated at historic cost or at valuation, less accumulated depreciation.

The company undertakes a review for impairment of fixed assets if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. To the extent that the carrying amount exceeds the recoverable amount, that is the higher of net realisable value and value in use, the fixed asset is written down to its recoverable amount. The value in use of fixed assets is determined from estimated discounted future net cash flows.

Depreciation

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

Fixtures, fittings and equipment	-	12.5% straight line
Computer equipment	-	12.5% straight line

1.7. Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

1.8. Taxation

The company has been granted exemption from taxation and this exemption has pertained since its incorporation. Irrecoverable VAT arising in Ireland is expensed as incurred. Any taxes arising in countries of overseas programmes are included in the cost of direct charitable activities in the Statement of Financial Activities.

VITA (RTI) Limited
(A Company Limited by Guarantee and not having a Share Capital)

Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

1.9. Fund Accounting

The following are the categories of funds maintained:

- Restricted Funds: Restricted funds represent amounts which can only be used for the particular purposes specified by the donors. Such purposes are within the overall objectives of the company.

- Unrestricted Funds: General funds represent amounts which are expendable at the discretion of the Board of Directors, in furtherance of the objectives of the company.

2. Sources of Income	2011	2010
	€	€
Restricted Funds		
European Union	960,504	1,425,287
Irish Aid	23,729	817,085
Other partners	407,545	175,952
	<u>1,391,778</u>	<u>2,418,324</u>
Unrestricted Funds		
Fundraising	577,720	345,273
Micro grant income	204,818	210,483
Legacy donations	-	4,805
Trading income	108,724	115,135
Bank interest received	867	13,806
	<u>892,129</u>	<u>689,502</u>
Total Income	<u><u>2,283,907</u></u>	<u><u>3,107,826</u></u>

VITA (RTI) Limited
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Notes to the Financial Statements
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3. Resources Expended	2011	2010
	€	€
Charitable Activities		
Direct Ethiopian activities	623,242	635,206
Direct Eritrean activities	1,032,781	1,616,174
Kenya pilot project	6,400	11,200
Programme quality cost	12,576	33,990
Indirect programme costs	129,336	215,328
Support costs	118,823	203,730
	<u>1,923,158</u>	<u>2,715,628</u>
Voluntary Activities		
Fundraising/Marketing	119,220	139,978
Staff costs	134,925	77,378
Support costs	43,752	81,523
	<u>297,897</u>	<u>298,879</u>
Trading Activities		
Trading costs	26,860	28,472
Staff costs	35,927	36,725
	<u>62,787</u>	<u>65,197</u>
Total Income	<u>2,283,842</u>	<u>3,079,704</u>

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

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4. Going Concern

The company earned net incoming resources of €65 for the year ended 31st December 2011 and at that date had accumulated net reserves amounting to €117,207. The directors are of the opinion that the company is well positioned to manage the costs of running the company. Also VITA (RTI) Limited management are currently implementing plans to build reserves to a level of €500,000 by the end of 2014 in line with Vita Reserves policy.

As a result, the directors believe the company has adequate resources to continue in operational existence for the foreseeable future. On this basis it is deemed appropriate to continue to prepare the accounts on a going concern basis.

5. Net Incoming Resources	2011	2010
	€	€
Net incoming resources is stated after charging:		
Loss on disposal of tangible fixed assets	7,550	-
Auditor's remuneration	10,089	9,510
Depreciation	1,536	3,519
	<u> </u>	<u> </u>
and after crediting:		
Net foreign exchange gain	-	6,416
	<u> </u>	<u> </u>

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

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6. Employees

Number of employees	2011	2010
	Number	Number
The average monthly numbers of employees during the year were:	<u>6</u>	<u>10</u>
Employment costs	2011	2010
	€	€
Wages and salaries	308,785	400,288
Social welfare costs	31,747	38,389
Other staff costs	<u>9,845</u>	<u>-</u>
	<u>350,377</u>	<u>438,677</u>

One employee falls into the gross earnings category of between €80,000 and €90,000.

7. Pension Costs

Over the last number of years VITA (RTI) Limited had accrued for staff pension costs for a pension that they were in the process of setting up. However in 2010 it was decided that VITA (RTI) Limited would suspend the staff pension. As a result, the amounts accrued were written off in 2010 amounting to €37,435. There were no pension costs incurred in 2011.

8. Taxation

No charge to current or deferred taxation arises as the organisation has been granted exemption by the revenue authorities in Ireland.

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

9. Tangible Fixed Assets	Office equipment	Fixtures, Fittings & Equipment	Total
	€	€	€
Cost			
At 31st December 2010	71,097	84,744	155,841
Disposals	-	(14,642)	(14,642)
At 31st December 2011	<u>71,097</u>	<u>70,102</u>	<u>141,199</u>
Depreciation			
At 31st December 2010	61,675	69,487	131,162
On disposals	-	(7,092)	(7,092)
Charge for the year	4,314	4,496	8,810
At 31st December 2011	<u>65,989</u>	<u>66,891</u>	<u>132,880</u>
Net book values			
At 31st December 2011	<u>5,108</u>	<u>3,211</u>	<u>8,319</u>
At 31st December 2010	<u>9,422</u>	<u>15,257</u>	<u>24,679</u>
10. Debtors		2011	2010
		€	€
Other debtors		86,287	26,157
Prepayments and accrued income		7,933	7,613
		<u>94,220</u>	<u>33,770</u>

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

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11. Creditors: Amounts falling due within one year	2011	2010
	€	€
Trade creditors	22,077	31,379
PAYE and social welfare	4,337	4,521
Other creditors	19,898	-
Accruals	81,605	16,779
Deferred income - committed funds	618,993	796,946
	<u>746,910</u>	<u>849,625</u>

Deferred income - committed funds relates to amounts received for which expenditure has yet to be incurred in respect of the following:

European Union	618,993	730,617
Irish Aid	-	23,729
Other	-	42,600
	<u>618,993</u>	<u>796,946</u>

12. Directors' Remuneration and Transactions

There were no transactions with the directors during the year, either in relation to remuneration or pension contributions.

13. Events after the Balance Sheet Date

There have been no circumstances or events subsequent to the year end that require adjustment to, or disclosure in the financial statements or in the notes thereto.

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

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14. Gross Cash Flows		2011	2010
		€	€
	Returns on investments and servicing of finance		
	Interest received	867	13,806
		<u> </u>	<u> </u>
	Capital Expenditure		
	Payments to acquire tangible assets	-	(1,722)
		<u> </u>	<u> </u>

15. Unrestricted Funds		Balance at beginning of year	Incoming resources	Resources expended	Balance at end of year
		€	€	€	€
	General Fund	117,142	892,129	(892,064)	117,207
		<u>117,142</u>	<u>892,129</u>	<u>(892,064)</u>	<u>117,207</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

16. Restricted Funds		Balance at beginning of year	Incoming resources	Resources expended	Balance at end of year
		€	€	€	€
	Specific Funds:				
	Committed funds	-	1,391,778	(1,391,778)	-
		<u> </u>	<u>1,391,778</u>	<u>(1,391,778)</u>	<u> </u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

VITA (RTI) Limited
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Notes to the Financial Statements
for the year ended 31st December 2011

..... continued

17. Analysis of Changes in Net Funds	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	908,318	(146,740)	761,578
Net Funds	<u>908,318</u>	<u>(146,740)</u>	<u>761,578</u>

18. Status

The Company is limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding €1.27.

19. Approval of Financial Statements

The financial statements were approved by the Board on 5/11/12 and signed on its behalf by

Seamus Crosse
Seamus Crosse
Director

Brian Weber
Brian Weber
Director