

**People Action Against Unemployment Limited**

**Directors' Report and Financial Statements**

**Year Ended 31 December 2011**

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2011**

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**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

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**Board of Directors**

Sexton Cahill - Chairperson  
Paddy Flannery – Vice Chairperson

Thomas Bibby  
Pat Dowling  
Mary Fitzpatrick  
Toni Gleeson  
Mary Hamilton  
John Higgins  
Dermot Hogan  
Linda Ledger  
Jim Lynch  
Padraig Malone  
Denis McCarthy  
Karen McHugh  
Orla McLoughlin  
Angela O'Flynn  
Gary O'Brien  
George O'Sullivan  
Maurice Quinlivan  
Eamon Ryan  
Christopher Sheridan  
Brian Thompson

**Solicitors**

Dundon Callanan  
17 The Crescent

Limerick

**Bankers**

Ulster Bank Limited  
95 O'Connell Street  
Limerick

**Independent Auditors**

Grant Thornton  
Mill House  
Henry Street  
Limerick

**Secretary and Registered Office**

Margaret O'Brien  
Tait Business Centre  
Dominic Street  
Limerick

Registered Number: 167004

People Action Against Unemployment Limited is a company limited by guarantee not having a share capital.

# PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED

## DIRECTORS' REPORT

YEAR ENDED 31st DECEMBER 2011

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

### DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and 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 profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 11, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Companies Acts, 1963 to 2009. The directors 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.

### BOOKS OF ACCOUNT

The measures taken by the directors to secure compliance with the company's obligations under the requirements of Section 202 of the Companies Act, 1990 to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The books of account are kept at The Tait Business Centre, Dominic Street, Limerick.

### RESPONSIBILITY FOR SYSTEM OF INTERNAL CONTROL

The directors of the company acknowledge responsibility for ensuring that an effective system of internal financial control is maintained and operated. The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

### PRINCIPAL ACTIVITIES

The principal activities of the company include the implementation of the following programmes:

- The Local Community Development Programme is funded under the National Development Plan 2007 to 2013 which offers financial and other support to projects identified by the Board as warranting it.
- The Local Employment Service Programme to meet the needs of the long term unemployed is renewed annually and is funded by Department of Social Protection. The LES Jobs Club activities are renewed annually and funded by Department of Social Protection.
- Department of Social Protection Community Employment Project
- Incredible Years Project

### BUSINESS REVIEW AND RISK

The directors acknowledge the financial performance for the year and have considered the principal risk factors affecting the company.

# PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st DECEMBER 2011

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### RESULTS

The loss of €2,494 which was incurred during the year is as a result of expenditure financed from previous years surpluses.

### RESEARCH AND DEVELOPMENT

The company did not engage in research activities during the year.

### DIRECTORS

The directors and secretary who were directors at any time during the year are set out below. Except where indicated they served as directors for the entire year:

Sexton Cahill – Chairperson  
Paddy Flannery – Vice Chairperson  
Thomas Bibby  
Pat Dowling  
Mary Fitzpatrick  
Toni Gleeson  
Mary Hamilton  
John Higgins  
Dermot Hogan  
Linda Ledger  
Jim Lynch  
Padraig Malone  
Denis McCarthy  
Karen McHugh  
Orla McLoughlin  
Angela O'Flynn  
Gary O'Brien  
George O'Sullivan  
Maurice Quinlivan  
Eamon Ryan  
Christopher Sheridan  
Brian Thompson

The following directors were appointed/resigned during the year:

Mary Donnelly – Resigned 14 June 2011  
Thomas Bibby – Appointed 14 June 2011

In accordance with the Articles of Association the following directors retire and are eligible for re-election:

Gary O'Brien  
George O'Sullivan  
John Higgins  
Maurice Quinlivan  
Orla McLoughlin  
Denis McCarthy  
Thomas Bibby

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

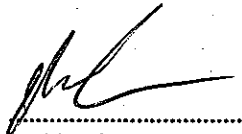
**DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31st DECEMBER 2011**

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**INDEPENDENT AUDITORS**

The independent auditors, Grant Thornton, will continue in office in accordance with Section 160(2) of the Companies



.....  
Paddy Flannery  
Director



.....  
Padraig Malone  
Director

Date: 25 April 2012

# PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED

## INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31st DECEMBER 2011

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We have audited the financial statements of People Action Against Unemployment Limited for the year ended 31st December 2011, which comprise the Income and Expenditure Account, the Balance Sheet, Cash flow statement and the notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and 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 (United Kingdom 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 2009. 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 financial statements 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 misstatement within it.

### BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland). 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.

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**INDEPENDENT AUDITORS' REPORT** *(continued)*

**YEAR ENDED 31st DECEMBER 2011**

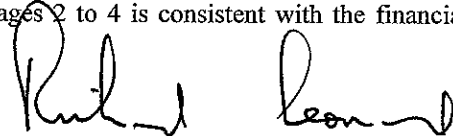
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**OPINION**

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 loss and cashflows for the year then ended and have been properly prepared in accordance with the provisions of the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations 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 2 to 4 is consistent with the financial statements.



MR. RICHARD LEONARD FCA  
(For and on behalf of)  
GRANT THORNTON  
Chartered Accountants  
& Registered Auditors

Mill House  
Henry Street  
Limerick

Date: 25 April 2012




**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**


**INCOME AND EXPENDITURE ACCOUNT**

**31st DECEMBER 2011**

	Notes	2011 €	2010 €
<b>Funds Received</b>			
Pobal – (LCDP)		1,836,279	1,829,967
FAS – (Local Employment Services (LES))		1,322,016	1,346,901
FAS – (Community Employment Projects (CE Projects))		231,870	232,562
FAS – (LES Jobs Club)		117,923	118,192
Bank deposit interest		100	35
Health Service Executive		189,204	118,468
Limerick City Council – (Community Forum, Food Partnership, Children’s Services Committee)		121,835	166,887
Limerick County Council		-	8,000
Safe Food		23,250	18,338
Pobal –(Millennium Fund, Equality for Women)		-	71,432
Sundry income/Co-hosted programmes	4	16,391	5,960
Department of Environment, Community & Local Government		25,324	25,612
Strategic Innovation in Education		13,840	-
Dept of Social Protection TUS		9,131	-
Age & Opportunity		17,963	-
Limerick Regeneration Agency		279,282	37,000
Pobal – Start Right Project		24,930	-
Pobal – Rapid – Incredible Yeas		27,829	6,027
		<u>4,257,167</u>	<u>3,979,354</u>
<b>Operating Expenditure</b>			
Staff Costs		1,964,687	1,686,851
Community employment staff costs		214,934	202,384
Staff Training		26,386	33,179
Administration costs		380,837	367,857
Project Funding		1,672,817	1,726,635
		<u>4,259,661</u>	<u>4,016,906</u>
<b>Operating loss for the year</b>	5	(2,494)	(31,525)
Taxation	6	-	-
<b>Loss for the year</b>		(2,494)	(31,525)
Balance at beginning of year		91,040	122,565
<b>Balance at end of year</b>		<u>88,546</u>	<u>91,040</u>

These financial statements were approved by the directors on the 25 April 2012 and are signed on their behalf by:

  
 Paddy Flannery  
 Director

  
 Pdraig Malone  
 Director

The accounting policies and notes on pages 11 to 15 form part of these financial statements.

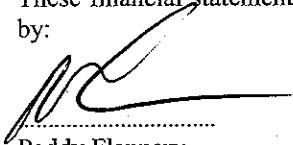
**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**


**BALANCE SHEET**

**31st DECEMBER 2011**

		2011		2010	
		€	€	€	€
<b>FIXED ASSETS</b>					
Tangible assets	7		90,846		39,840
Debtors	8	61,611		50,523	
Cash at bank and in hand		<u>785,240</u>		<u>592,881</u>	
		846,851		643,404	
<b>CREDITORS: Amounts falling due within one year</b>					
Bank overdrafts		-		14,274	
Accruals		40,935		58,672	
Other Creditors		-		3,099	
Funds received in advance		717,370		476,319	
Deferred capital contribution	9	<u>45,357</u>		<u>21,415</u>	
		803,662		573,779	
<b>NET CURRENT ASSETS</b>			<u>43,189</u>		<u>69,625</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			134,035		109,465
<b>CREDITORS: Amounts falling due after more than one year</b>					
Deferred capital contributions	9		<u>(45,489)</u>		<u>(18,425)</u>
			<u>88,546</u>		<u>91,040</u>
<b>RESERVES</b>					
Members Funds			<u>88,546</u>		<u>91,040</u>
			<u>88,546</u>		<u>91,040</u>

These financial statements were approved by the directors on the 25 April 2012 and are signed on their behalf by:

  
 Paddy Flannery  
 Director

  
 Padraig Malone  
 Director

The accounting policies and notes on pages 11 to 15 form part of these financial statements.

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**CASH FLOW STATEMENT**

**YEAR ENDED 31st DECEMBER 2011**

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	2011		2010	
	€	€	€	€
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		<b>313,949</b>		<b>161,016</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest paid	(3,149)		(2,922)	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>(3,149)</b>		<b>(2,922)</b>
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets	(104,167)		(36,742)	
Receipts from sale of fixed assets	-		-	
<b>NET CASH (OUTFLOW) FROM CAPITAL EXPENDITURE</b>		<b>(104,167)</b>		<b>(36,742)</b>
<b>INCREASE IN CASH</b>		<b>206,633</b>		<b>121,352</b>

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**CASH FLOW STATEMENT (continued)**

**YEAR ENDED 31st DECEMBER 2011**

**RECONCILIATION OF OPERATING PROFIT/ (LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2011 €	2010 €
Operating profit/(loss) before bank charges	1,941	(28,603)
Depreciation	53,161	35,606
(Increase)/decrease in debtors	(11,088)	22,660
Increase in creditors	269,935	131,353
Net cash inflow from operating activities	<u>313,949</u>	<u>161,016</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	2011 €	2010 €
Increase in cash in the period	206,633	121,352
Change in net funds	<u>206,633</u>	<u>121,352</u>
Net funds at 1 January 2011	578,607	457,255
Net funds at 31 December 2011	<u>785,240</u>	<u>578,607</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Jan 2011 €	Cash flows €	At 31 Dec 2011 €
Net cash:			
Cash in hand and at bank	592,881	191,359	785,240
Overdrafts	(14,274)	14,274	-
	<u>578,607</u>	<u>206,633</u>	<u>785,240</u>

# PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2011

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### 1. Accounting Policies

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

#### Historical cost convention

The financial statements are prepared under the historical cost convention.

#### Basis of accounting

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 Chartered Accountants in Ireland, and Irish statute comprising the Companies Acts, 1963 to 2009.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% Straight Line
Motor Vehicles	- 25% Straight Line
Office Equipment & Computer Equipment	- 25% Straight Line
Software	- 50% Straight Line
Leasehold Improvements	- 33% Straight Line

#### Income

All income is recognised in the period to which its related expenditure has been incurred.

#### Expenditure

All expenditure is charged to the income and expenditure account at the VAT inclusive value in the period in which it is incurred.

#### Capital contributions

Capital contributions in respect of tangible fixed assets are treated as deferred credits, which are credited to the profit and loss account on the same basis as the tangible fixed assets are depreciated.

#### Pension

Pension benefits are funded over the relevant employee's period of service by way of contribution to an insured fund. Annual contributions are charged to the income and expenditure account in the period to which they relate.

#### Funds in advance

Funds received are treated as funds in advance until the expenditure has been incurred.

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2011**

**2. Basis of preparing the financial statements**

Given the nature of the activities by the company, funding for the majority of the activities is provided on an annual programme by programme basis. The company's principal sources of income have been received through the Local Employment Service Programme and the Local Community Development Programme. The Local Employment Service Programme is renewed annually and funded by Department Social Protection. The company has secured funding under this programme for 2012. The Local Community Development Programme is included within the National development Plan for 2007 to 2013.

On the basis of the foregoing, the financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

**3. Accounting Period**

These financial statements cover the year ended 31 December 2011.

**4. Sundry income/co-hosted programmes**

This primarily represents other funding received from various organisations. The recognition of this funding as income is in accordance with the timing of the related expenditure.

Contributions are also received from a number of other organisations including Limerick City Enterprise Board in respect of programmes which are co-hosted by the company. As the company incurs the cost in relation to these programmes, contributions received are netted against these costs.

**5. Profit(loss) for the year**

The profit/(loss) for the year has been arrived at after charging:

	2011 €	2010 €
<b>Staff costs</b>		
- wages and salaries	1,886,756	1,618,332
- social welfare costs	179,706	151,477
- pension costs	<u>113,159</u>	<u>119,426</u>
	<u>2,179,621</u>	<u>1,889,235</u>
Depreciation	53,161	35,606
Auditors' remuneration	<u>14,363</u>	<u>14,295</u>

Staff costs include both administrative and project related wages and salaries costs.

**6. Taxation**

Due to the company's charitable status, there is no taxation liability arising during the year.

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2011**

**7. Tangible Fixed Assets**

	Fixtures & Fittings €	Motor Vehicles €	Office Equipment and Computer Equipment €	Leasehold Improvements €	Software €	Total €
<b>COST</b>						
At 1 January 2011	49,170	8,000	647,827	20,291	83,560	808,848
Additions	-	-	32,827	71,340	-	104,167
Disposals	-	-	-	-	-	-
<b>At 31 December 2011</b>	<u>49,170</u>	<u>8,000</u>	<u>680,654</u>	<u>91,631</u>	<u>83,560</u>	<u>913,015</u>
<b>DEPRECIATION</b>						
At 1 January 2011	49,170	8,000	614,676	14,485	82,677	769,008
Charge for the year	-	-	25,834	26,444	883	53,161
<b>At 31 December 2011</b>	<u>49,170</u>	<u>8,000</u>	<u>640,510</u>	<u>40,929</u>	<u>83,560</u>	<u>822,169</u>
<b>NET BOOK VALUE</b>						
<b>At 31 December 2011</b>	<u>-</u>	<u>-</u>	<u>40,144</u>	<u>50,702</u>	<u>-</u>	<u>90,846</u>
At 31 December 2010	<u>-</u>	<u>-</u>	<u>33,151</u>	<u>5,806</u>	<u>883</u>	<u>39,840</u>

**8. Debtors**

	2011 €	2010 €
Other Debtors	35,000	-
Prepayments	12,436	12,836
Funds due – amounts falling due within one year	<u>14,175</u>	<u>37,687</u>
	<u>61,611</u>	<u>50,523</u>

**9. Deferred capital contributions**

	2011 €	2010 €
At 1 January 2011	39,840	38,704
Received during the year	104,167	36,742
Amortised to profit and loss account	<u>(53,161)</u>	<u>(35,606)</u>
<b>At 31 December 2011</b>	<u>90,846</u>	<u>39,840</u>

**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2011**

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<b>9. Deferred Capital Contributions (continued)</b>	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Analysed as follows:		
Creditors – amounts falling due within one year	45,357	21,415
Creditors – amounts falling due after more than one year	<u>45,489</u>	<u>18,425</u>
	<u>90,846</u>	<u>39,840</u>

During the year €104,167 of capital contributions were received under the following projects to fund fixed asset additions:

- LES programme (€11,894)
- LCDP (€17,915)
- LES No 2 Account (€70,064)
- LAPS Project (€739)
- NEYAI Account (€588)
- Older Persons Forum (€715)
- Travellers PHC Accounts (€1,278)
- TUS Programme (€974)

**10. Directors remuneration**

The directors do not receive any remuneration in respect of their services as directors.

**11. Employees**

The average number of persons employed by the company during the year includes 15 employees on the CE scheme (2010:15) and 32 employees on TUS Scheme (2010:0)	<b>2011</b>	<b>2010</b>
	94	55

TUS participants are employees of the company but get paid directly by Pobal and no payroll costs are reflected in the financial statements.

**12. Financial commitments**

At 31 December 2011 the company had no annual commitments.

**13. Contingent liabilities**

Given the nature and variety of funding received by the company and the conditions attaching, in a limited number of circumstances where these conditions are not met the funding may become repayable.

**14. Related Party Transactions**

By virtue of the nature and organisation of the company, some of the directors are involved in organisations which receive funding from the company from time to time, in the normal course of business.



**PEOPLE ACTION AGAINST UNEMPLOYMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2011**

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**15. Overdraft facilities**

From time to time as the need arises overdraft facilities are arranged and authorised by the Board.

**16. Pension Scheme**

The pension entitlements of certain nominated employees arise under a defined contribution scheme and are secured by contributions by the company and the employees to a separately administered pension fund. The cost for the year was €113,159 (2010: €119,426).

**17. Ultimate Controlling Party**

The Company is under the ultimate control of the directors.

**18. Approval of the financial statements**

The directors approved the financial statements on 25 April 2012.