

Irish Nonprofits
Knowledge Exchange

Directors' report and
financial statements

For the year ended 31 December 2010

Registered number: 473400

Charity number: CHY19030

DRAFT

Irish Nonprofits Knowledge Exchange

Directors' report and financial statements

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Irish Nonprofits Knowledge Exchange

Directors' report

1 Reference and administrative

1.1 Reference details

Name	Irish Nonprofits Knowledge Exchange
Registered office	37 Fitzwilliam Place Dublin 2
Incorporated	23 July 2009
Company registration No.	473400
Charity No.	CHY19030

1.2 Board members

Current directors

Ian Duffy
John R. Healy
Owen Keenan
Sheila Nordon
Brian Sheehan (appointed 3 June 2011)
Philip Smith (British) (appointed 25 May 2010)

Company secretary

Patricia Quinn

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Directors' report *(continued)*

1.3 Other relevant company information

Principal bankers	Bank of Ireland St. Stephen's Green Dublin 2
Principal solicitors	Arthur Cox Earlsfort Terrace Dublin 2
Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2

The directors present their report and the audited financial statements for the year ended 31 December 2010 for Irish Nonprofits Knowledge Exchange ("the Company").

This document is prepared in accordance with the Companies Acts, 1963 to 2009 and, voluntarily in the absence of statutory reporting standards for charities in Ireland, in accordance with international best practice (Statement of Recommended Practice (SORP) (revised 2005)) as recommended by the Charity Commission for England and Wales. This Directors' Report contains the information that is required to be provided in the Trustee's Annual Report under the SORP guidelines.

2 Structure, governance and management

2.1 How the Company is constituted

The Company was established in 2009 by a number of individuals derived from a group that had overseen a pilot project undertaken during 2007 and 2008 to test the feasibility of introducing the 'guidestar' concept to Ireland. Incorporation as a Company limited by guarantee was chosen as the structure best suited to the needs of the organisation.

2.2 Recruiting, appointing and training directors

Following prevailing standards for companies with charitable purposes, membership of the board is entirely non-executive and no director received any remuneration. One new director, Philip Smith, was recruited in the course of the financial year and he received detailed briefings and induction. The board kept its own performance under review.

2.3 Organisational structure

The Company is a small organisation with a highly specialised remit. Its work is mainly structured in two programmes – building and maintaining a specialised database of Irish nonprofits, and publishing extracts from the database on a free public website. During 2010, staff were recruited to fulfill core functions in project management, database management, web development and sector engagement. Consulting specialists providing a variety of services on fixed-term and fixed-purpose contracts. In addition, following competitive tender, contracts were outsourced to data service and web service suppliers.

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Directors' report *(continued)*

2 Structure, governance and management *(continued)*

2.4 Internal control and risk

The board has overall responsibility for systems of internal control. These controls aim to safeguard the Company's assets and to maintain the integrity of accounting procedures. They include clearly documented financial procedures and the delegation of the authority of the board to the chief executive.

The Company operates a comprehensive annual planning and budgeting process. Annual budgets are approved by the board, which are provided with regular financial reports comparing actual results to the phased budget.

The major risks to which the charity is exposed, as identified by the directors, have been reviewed and systems or procedures have been established to manage these risks. The board considers the management of risk as a key corporate governance priority.

2.5 External relationships

The board considers that the Company is accountable to its funders and to its served communities which are as follows: the nonprofit sector; the general public; donors and funders; policy-makers and regulators; researchers, analysts and media; and the professional service providers. Processes for engaging with each of these form part of the Company's business strategy and communications planning.

3 Objectives and activities

3.1 Objectives

The Company's vision is to create a knowledge infrastructure to transform the nonprofit sector in Ireland. Its mission is to revolutionise understanding of and support for Irish nonprofit entities by producing a body of premium information derived in the first instance from regulatory sources, and providing data-driven services to a variety of users in the private, public and third sectors.

3.2 Activities

2010 was the second year of operation of the Company and this report refers to the first full calendar year of its operations.

- *Activities in furtherance of the Company's objects*

1. Building and maintaining a specialised database of Irish nonprofits

The Company re-uses public domain data derived from non-profit company filings to the Companies Registration Office but these are not all readily amenable to storage in a database – processes of data cleaning, classifying and organisation are required. During the year, the Company commissioned a comprehensive financial data scheme onto which the financial data from audited financial statements could be mapped. This process included a series of consultations with an expert group drawn from leading firms of chartered accountants, nonprofit finance directors, academics with an interest in nonprofit financial reporting and the finance directors of government grant-makers.

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Directors' report *(continued)*

3 Objectives and activities *(continued)*

3.2 Activities *(continued)*

- *Activities in furtherance of the Company's objects (continued)*

1. Building and maintaining a specialised database of Irish nonprofits *(continued)*

With the benefit of analysis done during the feasibility research phase prior to incorporation, the Company designed and built our own relational database for storing data derived both from regulatory and non-regulatory (voluntary) disclosures. As the source of regulatory data, the Registrar of Companies has provided encouragement and assistance to the process of re-using public data (filed with the Companies Registration Office) for the public's benefit, on which our business proposition rests.

To facilitate the re-keying of financial data from the audited financial statements, the Company built two essential tools: a schema onto which the financial data of audited financial statements could be mapped, and an online tool for data capture and commissioned the re-keying of 8,000 sets of financial statements. The former was produced in consultation with financial reporting specialists in the sector and in the audit profession; the latter was commissioned from an Irish supplier following a competitive tender.

2. Publishing extracts from the database on a free public website

The Company undertook a series of consultations with organisations in the sector, and with stakeholders from the research, regulatory and grant-making sectors, to inform its approach to the architecture and design of the irishnonprofits.ie website. Specifically this included the approach to presenting content and to classification systems.

In the early part of the year, the Company decided that regulatory and market conditions in Ireland warranted the development of our own solution to web publication of Irish regulatory data, rather than using and adapting the technology solution offered by Guidestar International. Working with a local web service provider (commissioned following a competitive tender), the Company built a system for publishing extracts from the database on the website, and began testing this at the end of the financial year.

At year-end therefore, we were on target both with the process of rendering regulatory materials into a form suitable for the purpose of storage and retrieval in a secure system that is fit for our purposes and with the process of publishing these on a free searchable public website.

- *Fundraising activities*

Most of the company's effort during the year were focussed on establishing the systems, processes and external partnerships and supplier relationships on which its business depends. As a result, fundraising was not a primary focus during the year.

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Directors' report *(continued)*

3 Objectives and activities *(continued)*

3.2 Activities *(continued)*

- *Fundraising activities (continued)*

Working in cooperation with the developers of the Irish State Administration Database in UCD and with four charities, the Company developed a proposal for shared services, based on its database, to reduce the costs of grant compliance for nonprofits receiving grants from government departments and agencies.

- *Governance activities*

The board met eight times in the course of the year. The board has not yet established any sub-committees. Aside from discussing and agreeing strategies and overseeing their implementation, the work of the board involved oversight of the implementation of the operational plan and budgets, and the discussion of principles and policies arising from the Company's work.

4 Financial review

4.1 Results for the year

The financial results for the year ended 31 December 2010 are shown in the Statement of financial activities on page 11.

The Company generated net incoming resources of €43,762 for the year *(2009: €3,202)*.

4.2 Income generation

The sole sources of income during the year/period were grants and donations in cash or kind. These may be analysed by source as follows:

	Year ended 31 December 2010	5 month period ended 31 December 2009
Grants	79.99%	94.26%
Donations from foundations and trusts	16.66%	1.62%
Other donations including donations in kind	3.26%	4.12%
Earned income	0.09%	-
	<hr/>	<hr/>
	100%	100%

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Directors' report *(continued)*

4 Financial review *(continued)*

4.3 Resources expended

The basis of cost allocation is set out in note 1(c) of the financial statements.

An analysis of expenditure in the course of the year illustrates that the Company's activities were as follows:

	Year ended 31 December 2010	5 month period ended 31 December 2009
Charitable Activities	89%	75%
Cost of Generating funds	1%	8%
Governance activities	10%	17%
	<hr/>	<hr/>
	100%	100%

5 Plans for future years

2010 is the second year of a three-year project being undertaken by the Company, to commission, build, test and launch a live relational database of Irish nonprofits derived from regulatory filings, and to publish extracts on a free searchable public website at the end of 2011.

In 2012 and thereafter, the Company will mobilise the sector to engage with the potential of a web-based platform to provide a wide range of services and supports benefiting individual organisations and networks, and the sector at large. We also need to identify and build markets for the data, in the sector, in government, among professional researchers and analysts and in the private sector.

6 Reserve policy

Recommended best practice provides for the establishment of an appropriate reserve policy, stating how much 'free' or unallocated reserves the Company retains. This excludes restricted funds, designated funds and funds that could only be realised by disposing of fixed assets held for use.

Once the exceptional conditions associated with start-up were passed, the board adopted a reserve policy for enforcement in the future of three months, which is the term for which the Company will retain sufficient reserves to ensure the continuity of operations and to absorb periodic setbacks, while committing the maximum amount available for the provision of services. That said, since government grants are the chief of revenue, the Company has limited capacity to enforce this policy. We strive to maintain a reasonable level of unallocated fund balances to provide working capital and to deal with unforeseen circumstances.

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Directors' report *(continued)*

7 Statement of the responsibilities of members of the Board in respect of the 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 promulgated by the Institute of Chartered Accountants in Ireland.

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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in 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 comply with the Companies Acts, 1963 to 2009. 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.

The directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Acts, 1963 to 2009.

The Board's function is to keep under review the adequacy, scope and effectiveness of accounting and internal control systems of all financial activities carried out by the Company.

8 Books of accounts

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 personnel with appropriate expertise and by providing adequate resources to the financial function.

The books of account of the Company are maintained at 37 Fitzwilliam Place, Dublin 2.

9 Auditor

In accordance with Section 160 (2) of the Companies Act, 1963, KPMG will continue in office.

On behalf of the Board

Ian Duffy

[Date] 2011

Philip Smith

[Date] 2011

Independent auditor's report to the members of Irish Nonprofits Knowledge Exchange

We have audited the financial statements of Irish Nonprofits Knowledge Exchange for year ended 31 December 2010 which comprises the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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.

Respective responsibilities of directors and auditor

The Directors are responsible for the preparation of the Directors' Report and financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) as set out in the Statement of the responsibilities of members of the Board in respect of the financial statements.

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 and are properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you our opinion as to: whether 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 also report to you if, in our opinion, any information specified by law regarding directors' remuneration and other 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.

Independent auditor's report to the members of Irish Nonprofits Knowledge Exchange (continued)

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 judgments 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 affairs of the Company as at 31 December 2010 and of its net income for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

Other matters

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 is consistent with the financial statements.

Chartered Accountants
Registered Auditor
Dublin

2011

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Statement of financial activities

For the year ended 31 December 2010

		Year ended 31 December 2010 Unrestricted funds €	Year ended 31 December 2010 Restricted funds €	Year ended 31 December 2010 Total funds €	5 month period ended 31 December 2009 Total funds €
	<i>Note</i>				
Incoming resources					
Grants and donations	2	599,540	-	599,540	180,357
Income from charitable activities		524	-	524	-
		<hr/>	<hr/>	<hr/>	
Total incoming resources		600,064	-	600,064	180,357
		<hr/>	<hr/>	<hr/>	
Resources expended					
Cost of generating funds		(6,475)	-	(6,475)	(14,359)
Charitable activities		(494,389)	-	(494,389)	(132,328)
Governance costs		(55,438)	-	(55,438)	(30,468)
		<hr/>	<hr/>	<hr/>	
Total resources expended		(556,302)	-	(556,302)	(177,155)
		<hr/>	<hr/>	<hr/>	
Net incoming resources		43,762	-	43,762	3,202
Total funds brought forward		3,202	-	3,202	-
Total funds carried forward		46,964	-	46,964	3,202
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

There are no recognised gains and losses for the current year or prior period other than those recognised in the statements of financial activities.

The accompanying notes form an integral part of this statement of financial activities.

On behalf of the board

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Statement of financial activities
For the year ended 31 December 2010

Ian Duffy

Philip Smith

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Balance sheet at 31 December 2010

	<i>Note</i>	2010 €	2009 €
Fixed assets			
Tangible assets	6	10,872	3,127
		<hr/>	<hr/>
Current assets			
Cash at bank and short term deposits	7	83,021	222,070
Prepayments		354	891
Other debtors		579	-
		<hr/>	<hr/>
		83,954	222,961
Creditors: amounts falling due within one year	8	(47,862)	(222,886)
		<hr/>	<hr/>
Net current assets		36,092	75
		<hr/>	<hr/>
Net assets		46,964	3,202
		<hr/>	<hr/>
The funds of the charity			
Unrestricted funds	9	46,964	3,202
Restricted funds	9	-	-
		<hr/>	<hr/>
Total charity funds		46,964	3,202
		<hr/>	<hr/>

The accompanying notes form an integral part of this balance sheet.

On behalf of the board

Ian Duffy

Philip Smith

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Cash flow statement

For the year ended 31 December 2010

	Year ended 31 December 2010 €	5 month period ended 31 December 2009 €
Cash flows from operating activities		
Net incoming resources	43,762	3,202
Depreciation of tangible fixed assets	5,255	1,159
Increase in debtors	(42)	(891)
(Decrease)/increase in creditors	(175,024)	222,886
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(126,049)	226,356
Cash flows from capital expenditure		
Purchase of tangible fixed assets	(13,000)	(4,286)
	<hr/>	<hr/>
Net (decrease)/increase in cash	(139,049)	222,070
Cash at beginning of year/period	222,070	-
	<hr/>	<hr/>
Cash at end of year/period	83,021	222,070
	<hr/> <hr/>	<hr/> <hr/>

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Notes

forming part of the financial statements

1 Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company financial statements.

(a) Basis of preparation

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, voluntarily in the absence of statutory reporting standards for charities in Ireland, in accordance with best practice (Statement of Recommended Practice (SORP) (revised 2005)) as recommended by the Charity Commission for England and Wales.

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

The Company has charitable status and as such is exempt from Corporation Tax.

(b) Income recognition

Income is recognised in the Statement of Financial Activities when the effect of the transaction or other event results in an increase in the charity's assets.

Income due but not yet received at the year end is included in debtors on the balance sheet and funds already received in relation to future years are shown in creditors as deferred income. All grants are shown as unrestricted because they have been provided for the general purposes of the Company's activities.

Non statutory grants and donations are recognised when there is evidence of entitlement.

The value of benefits in kind have been quantified at the level agreed with the donor.

(c) Cost allocation

Expenditure is analysed as between resources expended on charitable activities, governance costs and the cost of generating funds.

Resources expended on charitable activities comprise all the resources applied by the Company in undertaking the work of meeting its charitable objectives. These costs include direct costs of undertaking these together with the support costs incurred to enable these activities to be undertaken.

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Notes *(continued)*

1 Significant accounting policies *(continued)*

(c) Cost allocation *(continued)*

Support costs include human resources, finance, information technology and other.

The costs of generating funds are costs associated with generating incoming resources from all sources other than from undertaking charitable activities. This includes preparing proposals, meeting the due diligence and reporting requirements of funders, and providing regular reports to them on the progress of the project.

Governance costs include costs that relate to the general running of the organisation. They include strategic planning, audit, costs associated with legal, regulatory and statutory requirements, and an apportionment of staff time involved in supporting governance activities. During 2010, the cost of meeting the reporting and due diligence requirements of government funders is estimated to account for half of total governance costs, in terms of the time given to meetings, the production of documents and response to queries.

(d) Fixed assets and depreciation

Depreciation is provided for a full year in the year of acquisition and none in the year of disposal.

Fixtures, fittings and equipment are stated at cost and depreciated at 20% straight line per annum on their cost.

Computers are depreciated at 33% straight line per annum on their cost.

(e) Funds

All transactions of the organisation have been recorded and reported as income into or expenditure from funds, which are designated as “restricted” or “unrestricted”.

Income is treated as restricted where the donor/funder has specified that it may only be used for a particular purpose, and all donations in kind have been treated in this way. All other income is treated as unrestricted.

Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor/funder. All other expenditure is treated as being from unrestricted funds.

The balance of unrestricted funds at the end of the year represents the assets held by the organisation for general use in the furtherance of its work.

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Notes (continued)

2 Grants and donations include the following

	Year ended 31 December 2010 Unrestricted funds €	Year ended 31 December 2010 Restricted funds €	Year ended 31 December 2010 Total funds €	5 month period ended ended 31 December 2009 Total funds €
<i>Grants</i>				
Department of Community, Equality and Gaeltacht Affairs (formerly known as Department of Community, Rural and Gaeltacht Affairs)	300,000	-	300,000	150,000
Irish Aid	180,000	-	180,000	20,000
Total grants	480,000	-	480,000	170,000
<i>Trusts and foundations</i>				
Atlantic Philanthropies	100,000	-	100,000	2,922
Total trusts and foundations	100,000	-	100,000	2,922
<i>Other donations, legacies and similar incoming resources</i>				
Donations in kind				
- Arthur Cox	-	-	-	7,435
- Sales Force	4,860	-	4,860	-
- KPMG	5,000	-	5,000	-
- Arekibo	9,680	-	9,680	-
Total donations, legacies & similar incoming resources	19,540	-	19,540	7,435
Total voluntary income	599,540	-	599,540	180,357

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Notes (continued)

3 Staff costs

The average weekly number of employees, including part-time staff, but not including volunteers, during the year was 6 (2009: 2).

	Year ended 31 December 2010 €	5 months period ended 31 December 2009 €
Staff costs comprises:		
Wages and salaries	196,241	80,445
Social welfare costs	18,455	8,648
Pension costs	11,356	3,878
	<hr/> 226,052 <hr/>	<hr/> 92,971 <hr/>

The number of higher paid employees was:

	Year ended 31 December 2010 €	5 months period ended 31 December 2009 €
€100,000 - €110,000 (full year equivalent)	1	1
	<hr/> 1 <hr/>	<hr/> 1 <hr/>

Remuneration includes basic pay and excludes employer pension and PRSI contributions.

4 Board member expenses

These relate to the costs of convening meetings of the members and directors during the year, and totalled €246 (2009: €493).

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Notes (continued)

5 Statutory and other information

	Year ended 31 December 2010 €	5 months period ended 31 December 2009 €
Net incoming resources for the year/period is arrived at after charging:		
Auditor's remuneration	-	-
Depreciation	5,255	1,159
Rentals payable under an operating lease	7,585	8,664
	<u> </u>	<u> </u>

Directors did not receive any remuneration in the current year or prior period.

6 Tangible fixed assets

	Fixtures and fittings €	Computer equipment €	Office equipment €	Total €
Cost				
At 1 January 2010	2,430	1,650	206	4,286
Additions	339	12,182	479	13,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2010	2,769	13,832	685	17,286
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 January 2010	486	632	41	1,159
Charge for the year	554	4,564	137	5,255
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2010	1,040	5,196	178	6,414
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book amounts				
At 31 December 2010	1,729	8,636	507	10,872
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book amounts				
At 31 December 2009	1,944	1,018	165	3,127
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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Notes *(continued)*

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Notes (continued)

7 Cash at bank

	2010	2009
Unrestricted cash	83,021	222,070
	<u> </u>	<u> </u>

8 Creditors: amounts falling due within one year

	2010 €	2009 €
Trade creditors	25,900	30,251
Other creditors	7,340	4,874
Accruals	14,622	7,761
Deferred income	-	180,000
	<u> </u>	<u> </u>
	47,862	222,886
	<u> </u>	<u> </u>

Funds received in relation to future years but not yet expended are included in deferred income.

Deferred income

	2010 €	2009 €
Grant received in the period	-	200,000
Grant released in the period	(180,000)	(20,000)
	<u> </u>	<u> </u>
	-	180,000
	<u> </u>	<u> </u>

9 Statement of movement on funds

	Unrestricted funds €	Restricted funds €	Total €
Balance at beginning of year	3,202	-	3,202
Net incoming resources	43,762	-	43,762
	<u> </u>	<u> </u>	<u> </u>
Balance at end of year	46,964	-	46,964
	<u> </u>	<u> </u>	<u> </u>

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Notes *(continued)*

10 Commitments

Annual commitments exist under non-cancellable operating leases as follows:

	2010	2009
	Land and	Land and
	buildings	buildings
	€	€
<i>Expiring:</i>		
Within one year	13,000	-
Between two and five years	-	13,000
	<hr/> <hr/>	<hr/> <hr/>

11 Non-recovery of VAT

All resources expended are classified under activity headings that aggregate all costs related to the category, including Value-Added Tax. Because the Company has received charitable tax exemption, it is unable to recover VAT expended. Like other companies with charitable status, the Company elects to report this figure, which was €28,911 for the year (2009: €6,046).

12 Post balance sheet events

There have been no significant events since the balance sheet date.

13 Approval of financial statements

The directors approved the financial statements on 2011.