

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
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FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
DIRECTORS AND OTHER INFORMATION

| | |
|---|--|
| Directors | Anna Heussaff (Resigned 31 December 2017) Brian Morris (Resigned 26 January 2016) Cara Augustenborg (Resigned 4 July 2017) Donall Geoghegan (Resigned 14 November 2016) John Brennan (Resigned 27 July 2016) John Sweeney (Resigned 22 September 2016) Nessa Ni Chasaide (Resigned 22 September 2016) Niamh Garvey Peadar Kirby (Resigned 22 September 2016) Sian Cowman Ciarra Kirrane (Appointed 22 September 2016) Jamie Gorman (Appointed 22 September 2016) William Hederman (Appointed 4 July 2017) David McMullin (Appointed 27 September 2017) David Joyce (Appointed 27 September 2017) |
| Company Secretary | Anna Heussaff |
| Company Number | 383678 |
| Registered Office and Business Address | 9 Upper Mount Street Dublin 2 |
| Auditors | Roberts Nathan Chartered Certified Accountants and Statutory Audit Firm 9 Exchange Place International Financial Services Centre Dublin 1 |
| Bankers | Bank of Ireland Plc College Green Dublin 2 |

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Principal Activity

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

Policy and Advocacy

- A Bill to ban fracking, which we helped draft, passed the key 2nd stage debate vote in the Dáil in October and was referred to Committee for detailed scrutiny. This success was largely due to the tireless groundwork of the local campaigners but our supporters weighed-in too 2,500 emailed their local TDs before the vote, our most successful e-action ever.
- As the Minister continued to consider what future supports for renewable electricity will look like, we collected over 6,000 signatures calling for support to enable households and communities to unleash a solar power "rooftop revolution".
- We commissioned research on natural flood management and ecosystem approaches to managing flood risk.
- For Stop Climate Chaos we coordinated a "mass lobby" of TDs and senators on November 15th. 150 supporters met with over 100 TDs and Senators. As a result 51 TDs signed letters to one or more Ministers looking for action on solar energy, divesting from fossil fuels, and transport.
- We coordinated the drafting and publication of a joint Stop Climate Chaos / Environmental Pillar report called "Not So Green: Debunking the Myths around Irish Agriculture".

Education and Activism

- We recruited and trained 120 volunteers to engage the public on waste recycling and solar power at Electric Picnic.
- We ran workshops on topics such as sustainability, climate justice and trade justice with TCD, UCD, Trócaire and the Stop Climate Chaos Coalition, and supported the activities of Young FoE and Dublin FoE.
- When Enda Kenny announced after his re-election as Taoiseach in May that no Minister or Department would have Environment in their title we launched an emergency campaign in conjunction with VOICE, BirdWatch, An Taisce, and the Irish Wildlife Trust. We got significant media coverage, 1,000 people wrote to their TDs asking them to get the decision reversed and 14,000 people signed a petition, which a gaggle of "wild animals" presented to the Minister's office. The campaign was successful and the Department became Communications, Climate Action and Environment (DCCAE).

Communications and Outreach

- We celebrated the 30th anniversary of the launch of Earthwatch Friends of the Earth Ireland on 22 April 1986 with a conference on Forging a Fossil Free Europe, opened by the current Secretary General of the European Environmental Bureau, Jeremy Wates, who was the founder and first CEO of Earthwatch.
- This was immediately followed by hosting the AGM of the Friends of the Earth Europe network in Ireland for the first time. The real highlight came when the 25 national directors present in Carlingford broke off their meeting to travel to Woodburn outside Belfast to stand with the locals there defying exploratory drilling that could have led to fracking.
- Our 20-minute Community Energy video premiered to an audience of 100 in Filmbase and had 5 public screenings in 2016. The 2 minute trailer has been watched 7,000 times on Facebook.
- Our practical work to support community energy projects bore fruit. Supported our deputy director, the Terenure community energy group received an SEAI grant for €500,000. And we were contracted by SEAI as an official mentor for groups in the Dublin area for 2017.
- On foot of a strategic choice, our Chairperson became our lead media spokesperson in 2016 and with along with the work of the Director and Deputy Director this considerably broadened our appeal to the broadcast media in particular.
- Our social media metrics all showed significant increases in 2016. Our Facebook likes grew 12%, our Twitter followers grew by 30%. Our website traffic showed most growth, with unique visitors up 32% and pageviews up a remarkable 60%. October, when the fracking Bill was up for debate in the Dáil, saw more web traffic than any other month since we began this tracking series in May 2009.

Supporter Relations and Development

- Our email subscribers had their largest single year increase thanks to our petition at Electric Picnic, up by 50%. Significantly, our open rates did not drop as a result.
- The Director redirected time from policy work to focus more on supporter relations.
- We sent 92 emails to various segments of our supporter database in 2016, including 29 to the whole list.
- Income from supporters rose by 25% to its highest level since 2011.

Administration and Organization

- Overall income rose by 22% in 2016 to its highest level ever.
- The Board of Friends of the Earth and VOICE separately supported exploring how our increasingly close cooperation could lead to a merger. However, our exploration suggests that the legal and other costs associated

FRIENDS OF THE EARTH IRELAND C.L.G.

(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

with merging are currently prohibitive. We remain committed to a productive strategic alliance.

Our Strategic objective to 2020 are:

- To ensure Ireland does its fair share to prevent runaway climate change and its fair share to cope with the impacts of climate change globally.
- To promote a rapid and just transition to a community-centred, zero-carbon energy system for Ireland.
- To promote food sovereignty and security while protecting and restoring a diversity of landscapes, habitats and wildlife.
- To pursue economic and regulatory measures that shift Ireland towards a more resource efficient "circular economy" and reduce inequality.
- To engage people in popular education and collective action which contributes to a growing environmental justice movement in Ireland.
- To foster a sense of belonging to Friends of the Earth that sustains our work in Ireland and contributes to and draws inspiration from Friends of the Earth internationally.
- To achieve best practice in our own governance and management, while deepening our collaboration with others to maximise the impact of the environmental sector in Ireland.

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

Principal Risks and Uncertainties

In common with similar companies in Ireland, the principal risk and uncertainty of Friends of the Earth Limited relates to the ability of the company to obtain funding to support its operations.

Financial Results

The surplus for the year after providing for depreciation amounted to €21,723 (2015 - €4,529).

At the end of the year, the company has assets of €72,043 (2015 - €82,467) and liabilities of €29,398 (2015 - €61,545). The net assets of the company have increased by €21,723.

Directors and Secretary

The directors who served throughout the year, except as noted, were as follows:

Anna Heussaff (Resigned 31 December 2017)
Brian Morris (Resigned 26 January 2016)
Cara Augustenborg (Resigned 4 July 2017)
Donall Geoghegan (Resigned 14 November 2016)
John Brennan (Resigned 27 July 2016)
John Sweeney (Resigned 22 September 2016)
Nessa Ní Chasaide (Resigned 22 September 2016)
Niamh Garvey
Peadar Kirby (Resigned 22 September 2016)
Sian Cowman
Ciarra Korrane (Appointed 22 September 2016)
Jamie Gorman (Appointed 22 September 2016)
William Hederman (Appointed 4 July 2017)
David McMullin (Appointed 27 September 2017)
David Joyce (Appointed 27 September 2017)

The secretary who served throughout the year was Anna Heussaff.

Post Balance Sheet Events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, Roberts Nathan, (Chartered Certified Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Taxation Status

The company is a close company within the meaning of the Taxes Consolidation Act, 1997.

Statement on Relevant Audit Information

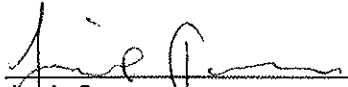
There is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

Accounting Records


To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at 9 Upper Mount Street, Dublin 2.

Signed on behalf of the board



Jamie Gorman
Director

25 January 2018



Ciarra Kirrane
Director

25 Jan 2018

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

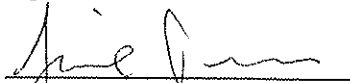
- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy and enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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:

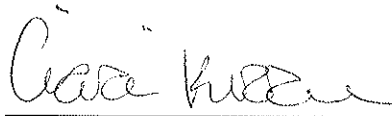
- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit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

Signed on behalf of the board



Jamie Gorman
Director

25 January 2018



Ciarra Kurrane
Director

25 Jan 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)**

We have audited the financial statements of Friends of the Earth Ireland C.L.G. for the year ended 31 December 2016 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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 auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.



Brendan Kean

for and on behalf of

Roberts Nathan

Chartered Certified Accountants and Statutory Audit Firm

9 Exchange Place

International Financial Services Centre

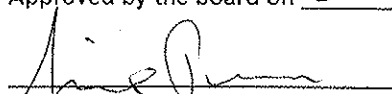
Dublin 1

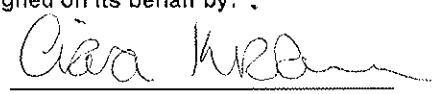
Date: 25/01/2018

FRIENDS OF THE EARTH IRELAND C.L.G.
 (A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Notes | 2016 € | 2015 € |
|---|-------|-----------|-----------|
| Income | | 273,561 | 223,760 |
| Expenditure | | (251,838) | (219,231) |
| Surplus on ordinary activities before tax | | 21,723 | 4,529 |
| Tax on surplus on ordinary activities | 8 | - | - |
| Surplus for the year | 15 | 21,723 | 4,529 |
| Total Comprehensive Income | | 21,723 | 4,529 |

Approved by the board on 25 Jan 2018 and signed on its behalf by: .



 Jamie Gorman
 Director



 Ciarra Kirrane
 Director

FRIENDS OF THE EARTH IRELAND C.L.G.
 (A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
BALANCE SHEET
AS AT 31 DECEMBER 2016

| | Notes | 2016 € | 2015 € |
|--|-------|-----------|-----------|
| Fixed Assets | | | |
| Tangible assets | 9 | 4,212 | 4,753 |
| Current Assets | | | |
| Debtors | 10 | 8,426 | 41,143 |
| Cash and cash equivalents | | 59,405 | 36,571 |
| | | 67,831 | 77,714 |
| Creditors: Amounts falling due within one year | 11 | (29,398) | (51,001) |
| Net Current Assets | | 38,433 | 26,713 |
| Total Assets less Current Liabilities | | 42,645 | 31,466 |
| Creditors | | | |
| Amounts falling due after more than one year | 12 | - | (10,544) |
| Net Assets | | 42,645 | 20,922 |
| Reserves | | | |
| Income and expenditure account | 15 | 42,645 | 20,922 |
| Members' Funds | | 42,645 | 20,922 |

Approved by the board on 25 Jan 2018 and signed on its behalf by:


 Jamie Gorman
 Director


 Ciarra Kirrane
 Director

FRIENDS OF THE EARTH IRELAND C.L.G.
 (A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
RECONCILIATION OF MEMBERS' FUNDS
AS AT 31 DECEMBER 2016

| | Retained surplus | Total |
|----------------------|----------------------|----------------------|
| | € | € |
| At 1 January 2015 | 16,393 | 16,393 |
| Surplus for the year | <u>4,529</u> | <u>4,529</u> |
| At 31 December 2015 | 20,922 | 20,922 |
| Surplus for the year | <u>21,723</u> | <u>21,723</u> |
| At 31 December 2016 | <u><u>42,645</u></u> | <u><u>42,645</u></u> |

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

Friends of the Earth Ireland C.L.G. is a company limited by guarantee incorporated in Republic of Ireland 9 Upper Mount Street, Dublin 2, is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of tangible fixed assets

Long-lived assets, consisting primarily of office equipment and website development, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review the useful economic life of these assets and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

(b) Provision for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

FRIENDS OF THE EARTH IRELAND C.L.G.
(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

continued

3. ACCOUNTING POLICIES

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

Statement of compliance

The financial statements of the company for the year ended 31 December 2016 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). These are the company's first set of financial statements prepared in accordance with FRS 102. There have been no transitional adjustments made.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

Cash flow statement

The company has availed of the exemption in FRS 102 from the requirement to prepare a Cash Flow Statement because it is classified as a small company.

Income

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

FRIENDS OF THE EARTH IRELAND C.L.G.

(A COMPANY LIMITED BY GUARANTEE, WITHOUT A SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

continued

FOR THE YEAR ENDED 31 DECEMBER 2016

Financial Instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for similar debt instrument.

Trade and other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial assets estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decreases can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is possible that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which result in fixed returns to the holder or are mandatorily redeemable on a specific date, are classified as financial liabilities. The dividends on these preference shares are recognised in profit or loss within 'interest payable and similar charges'.

Trade creditors are obligations to pay for goods or services that have been acquired on the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

continued

Pensions

The company operates a defined contribution scheme. The pension costs charged in the Financial Statements represent the contribution payable by the company during the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical costs or revalued amounts less accumulated depreciation and provisions for impairment.

The cost of an asset is made up of the purchase price of the asset plus any costs directly attributable to bringing the asset into working condition for its intended use.

Depreciation is calculated to write off the original cost of the asset or the revalued amount less the estimated residual value on a straight-line basis over its estimated useful economic life as follows:

| | | |
|----------------------|---|-------------------|
| Office equipment | - | 33% Straight line |
| Fixtures & fittings | - | 20% Straight Line |
| Database development | - | 20% Straight Line |
| Website development | - | 33% Straight line |

The carrying value of tangible fixed assets is reviewed for impairment if events or changes in circumstances indicate that the carrying amount value may not be recoverable. Under Irish GAAP impairment is assessed by comparing the carrying value of the asset with its recoverable amount (the higher of net realisable value and value in use). Net realisable value is defined as the amount at which an asset could be disposed net of any direct selling costs. Value in use is defined as the present value of the future cash flows obtainable through the continued use of an asset including those expected to be realised on its eventual disposal.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company provides a range of benefits to employees, including paid holiday arrangements.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Taxation

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

4. ADOPTION OF FRS 102

This is the first set of financial statements prepared by Friends of the Earth Ireland C.L.G. in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The company transitioned from previously extant Irish and UK GAAP to FRS 102 as at 1 January 2015.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

continued

5. DEPARTURE FROM COMPANIES ACT 2014 PRESENTATION

In preparing the financial statements the directors have departed from the prescribed format for financial statements as set out in the Companies Act 2014. In the opinion of the directors the format of the financial statements as presented in these financial statements better describes the not for profit activities undertaken by the company. The principal departure from the prescribed formats as set down by the Companies Act 2014 is the replacement of the title "Profit and Loss Account" with the title "Income and Expenditure Account" and some consequential changes in the notes to the financial statements.

| | | |
|---|--------------|--------------|
| 6. OPERATING SURPLUS | 2016 | 2015 |
| | € | € |
| Operating surplus is stated after charging: | | |
| Depreciation of tangible fixed assets | 3,098 | 1,022 |
| | <u>3,098</u> | <u>1,022</u> |

7. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

| | 2016 Number | 2015 Number |
|--------------------|----------------|----------------|
| Programme Officers | 4 | 3 |
| Chief Executive | 1 | 1 |
| | <u>5</u> | <u>4</u> |

The staff costs comprise:

| | 2016 € | 2015 € |
|----------------------|----------------|----------------|
| Wages and salaries | 141,770 | 109,233 |
| Social welfare costs | 14,795 | 11,434 |
| Pension costs | 3,398 | 3,398 |
| | <u>159,963</u> | <u>124,065</u> |

A number of the employees were part-time. The average equivalent number of full time employees across the year was 4.1.

The chief executive salary amounted to €49,405 (2015: €46,895) together with pension of €3,398 (2015: €3,398).

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8. TAX ON SURPLUS ON ORDINARY ACTIVITIES

| | 2016 € | 2015 € |
|--|-----------|-----------|
| (a) Analysis of charge in the year | | |
| Current tax: | | |
| Corporation tax at 12.50% (2015 - 12.50%) (Note 8 (b)) | - | - |

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2015 - 12.50%). The differences are explained below:

| | 2016 € | 2015 € |
|---|----------------|--------------|
| Surplus on ordinary activities before tax | <u>21,723</u> | <u>4,529</u> |
| Surplus on ordinary activities before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.50% (2015 - 12.50%) | 2,715 | 566 |
| Effects of: | | |
| Tax exemption due to mutual trading | <u>(2,715)</u> | <u>(566)</u> |
| Total tax charge for the year (Note 8 (a)) | <u>-</u> | <u>-</u> |

9. TANGIBLE FIXED ASSETS

| | Office equipment | Fixtures & fittings | Database development | Website development | Total |
|-----------------------|---------------------|------------------------|-------------------------|------------------------|---------------|
| | € | € | € | € | € |
| Cost | | | | | |
| At 1 January 2016 | 7,360 | 1,156 | 18,658 | 26,795 | 53,969 |
| Additions | 1,293 | - | - | 4,994 | 6,287 |
| At 31 December 2016 | <u>8,653</u> | <u>1,156</u> | <u>18,658</u> | <u>31,789</u> | <u>60,256</u> |
| Depreciation | | | | | |
| At 1 January 2016 | 6,337 | 1,156 | 14,928 | 26,795 | 49,216 |
| Charge for the year | 1,450 | - | 3,730 | 1,648 | 6,828 |
| At 31 December 2016 | <u>7,787</u> | <u>1,156</u> | <u>18,658</u> | <u>28,443</u> | <u>56,044</u> |
| Net book value | | | | | |
| At 31 December 2016 | <u>866</u> | <u>-</u> | <u>-</u> | <u>3,346</u> | <u>4,212</u> |
| At 31 December 2015 | <u>1,023</u> | <u>-</u> | <u>3,730</u> | <u>-</u> | <u>4,753</u> |

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9.1. TANGIBLE FIXED ASSETS PRIOR YEAR

| | Office equipment | Fixtures & fittings | Database development | Website development | Total |
|-----------------------|---------------------|------------------------|-------------------------|------------------------|--------|
| | € | € | € | € | € |
| Cost | | | | | |
| At 31 December 2015 | 7,360 | 1,156 | 18,658 | 26,795 | 53,969 |
| Depreciation | | | | | |
| At 1 January 2015 | 5,315 | 1,156 | 11,196 | 26,795 | 44,462 |
| Charge for the year | 1,022 | - | 3,732 | - | 4,754 |
| At 31 December 2015 | 6,337 | 1,156 | 14,928 | 26,795 | 49,216 |
| Net book value | | | | | |
| At 31 December 2015 | 1,023 | - | 3,730 | - | 4,753 |
| At 31 December 2014 | 2,045 | - | 7,462 | - | 9,507 |

10. DEBTORS

| | | |
|--------------------------------|-------|--------|
| | 2016 | 2015 |
| | € | € |
| Prepayments and accrued income | 8,426 | 41,143 |

11. CREDITORS

Amounts falling due within one year

| | | |
|-------------------------------------|--------|--------|
| | 2016 | 2015 |
| | € | € |
| Loan from Friends of the Earth EWNI | 8,689 | 10,000 |
| Taxation (Note 13) | 8,801 | 8,746 |
| Other creditors | 2,619 | 11,617 |
| Accruals | 8,842 | 16,907 |
| Deferred Income | 447 | 3,731 |
| | 29,398 | 51,001 |

Taxes are subject to the terms of the relevant legislation. Interest accrues on late payment at a rate of 8% per annum on PAYE. Loans from connected parties are interest free and repayable on demand. The terms of the accruals, other creditors and deferred income vary.

12. CREDITORS

Amounts falling due after more than one year

| | | |
|-------------------------------------|------|--------|
| | 2016 | 2015 |
| | € | € |
| Loan from Friends of the Earth EWNI | - | 10,544 |

Loans

| | | |
|---|-------|--------|
| Repayable in one year or less, or on demand (Note 11) | 8,689 | 10,000 |
| Repayable between one and two years | - | 10,544 |
| | 8,689 | 20,544 |

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continued

| | | |
|--------------------|-----------|-----------|
| 13. TAXATION | 2016 € | 2015 € |
| Creditors: PAYE | 8,801 | 8,746 |

14. STATUS

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 it being wound up during the time he is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding €1.00.

15. INCOME AND EXPENDITURE ACCOUNT

| | | |
|----------------------|-----------|-----------|
| | 2016 € | 2015 € |
| At 1 January 2016 | 20,922 | 16,393 |
| Surplus for the year | 21,723 | 4,529 |
| At 31 December 2016 | 42,645 | 20,922 |

16. CAPITAL COMMITMENTS

The company had no material capital commitments at the year ended 31 December 2016.

17. DEFERRED EXPENDITURE

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

| | | |
|---|-----------|-----------|
| | 2016 € | 2015 € |
| At beginning of the year | - | 13,981 |
| Amount amortised to the Profit and Loss Account during the year | - | (13,981) |
| | - | - |

18. LOAN FROM FRIENDS OF THE EARTH ENGLAND, WALES AND NORTHERN IRELAND

In September 2012, Friends of the Earth Ireland received a loan of €68,459 (Stg£55,000) to finance supporter recruitment from Friends of the Earth England, Wales and Northern Ireland. Friends of the Earth Ireland and Friends of the Earth England, Wales and Northern Ireland are sister organisations which are both autonomous national members of the Friends of the Earth International federation and the Friends of the Earth Europe regional network.

19. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year end.

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20. COMPARATIVE AMOUNTS

Certain comparative amounts have been regrouped and restated in order to present information on a basis consistent with the current year.

21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on
25 Jan 2018

FRIENDS OF THE EARTH IRELAND C.L.G.
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SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

FRIENDS OF THE EARTH IRELAND LIMITED

SCHEDULE NO 1: INCOME
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2016

| INCOME | 2016 | 2015 |
|--|-----------------------|-----------------------|
| | € | € |
| Unrestricted Income | | |
| Subscriptions and Donations | 75,427 | 59,778 |
| Fundraising | 11,035 | - |
| Dept. Of Environment via the Irish Environmental Network | 11,550 | 17,262 |
| | <u>98,012</u> | <u>77,040</u> |
| Restricted Income | | |
| Irish Aid | 14,140 | - |
| NTR Foundation | 25,000 | - |
| EU IEE | 26,208 | 22,997 |
| EU DEAR | 50,928 | 51,052 |
| Dept. Of Environment via the Irish Environmental Network | - | 20,446 |
| Stop Climate Chaos Coalition | 13,052 | 23,298 |
| FOE Europe | 29,068 | 5,848 |
| FOE International | 14,284 | 13,333 |
| Trócaire | 2,250 | 5,000 |
| Other Grants | 619 | 4,746 |
| | <u>175,549</u> | <u>146,720</u> |
| Total Income | <u><u>273,561</u></u> | <u><u>223,760</u></u> |

FRIENDS OF THE EARTH IRELAND LIMITED

SCHEDULE NO 2: EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2016

| | 2016 | | 2015 | |
|--|---------|----------------|--------|----------------|
| | € | € | € | € |
| CAMPAIGNING AND COMMUNICATIONS | | | | |
| Policy and Advocacy | 15,087 | | 14,829 | |
| Education and Activism | 21,140 | | 20,430 | |
| Communications and Outreach | 28,477 | | 20,219 | |
| Salaries | 121,596 | | 83,523 | |
| Employers' PRSI Contribution | 12,650 | | 8,672 | |
| Staff Pension Costs | 2,718 | | 2,208 | |
| Depreciation on Database Development | 1,865 | | 1,866 | |
| Depreciation on Website Development | 1,648 | | - | |
| | | <u>205,181</u> | | <u>151,746</u> |
| SUPPORTER RELATIONS AND DEVELOPMENT | | | | |
| Supporter Care | 3,112 | | 6,232 | |
| Supporter Recruitment | 950 | | 14,066 | |
| Salaries | 15,466 | | 18,519 | |
| Employer's PRSI Contribution | 1,382 | | 1,991 | |
| Staff Pension Costs | 340 | | 849 | |
| Depreciation on Database Development | 1,865 | | 1,866 | |
| | | <u>23,115</u> | | <u>43,523</u> |
| ADMINISTRATION AND ORGANISATION | | | | |
| Audit Fee | 4,305 | | 4,613 | |
| Accountancy & Bookkeeping Fees | 2,690 | | 600 | |
| Bank Charges and Interest | 469 | | 518 | |
| Governance Expenses | 920 | | 802 | |
| General Office Costs | 552 | | 762 | |
| Rent and Insurance | 7,345 | | 7,342 | |
| Salaries | 4,940 | | 7,192 | |
| Employer's PRSI Contribution | 531 | | 772 | |
| Staff Pension Costs | 340 | | 340 | |
| Depreciation in Office Equipment, Fixture & Fittings | 1,450 | | 1,022 | |
| | | <u>23,542</u> | | <u>23,962</u> |
| | | <u>251,838</u> | | <u>219,231</u> |