

The Arnaud Guesry Foundation

**Financial Statements
For the year ended 31 December 2014**

Identification number **VO/0727**

Independent Auditor's Report

To the Administrators of The Arnaud Guesry Foundation

Report on the Financial Statements

I have audited the accompanying financial statements of The Arnaud Guesry Foundation, which comprise the balance sheet as at 31 December 2014, and the income and expenditure account, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Administrators' Responsibility for the Financial Statements

The Administrators are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on our audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

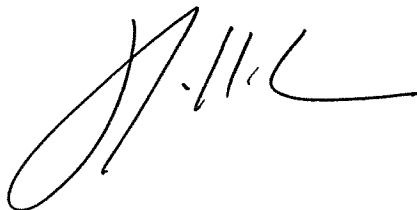
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of administrators, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of The Arnaud Guesry Foundation as of 31 December, 2014 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the Voluntary Organisations Act, 2007 and are compliant with the provisions of the Foundation Deed. The operations of the Board of Administrators during the year ended 31 December 2014 were conducive to the fulfillment of the objectives and purposes of the Foundation.

Frank Gollcher CPA
The Rock, Flat 2
Claire E. Engel Street
St. Julians,
Malta



21 October 2015

The Arnaud Guesry Foundation
Annual Report and Financial Statements for the year ended 31 December 2014

Income and Expenditure Account

	Notes	2014 Euro	2013 Euro
Income		-	
Donations received		62,484	14,062
Bank interest received		6	5
		<u>62,490</u>	<u>14,067</u>
Expenditure	3	(37,264)	(15,669)
Surplus/(Deficit) for the year		<u>25,226</u>	<u>(1,602)</u>

The Arnaud Guesry Foundation
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Balance Sheet

	Notes	2014 Euro	2013 Euro
ASSETS			
Non- current assets			
Property, plant and equipment	2	<u>186,089</u>	<u>121,125</u>
		<u>186,089</u>	<u>121,125</u>
Current assets			
		<u>12,530</u>	<u>2,688</u>
Total assets		<u><u>198,619</u></u>	<u><u>123,813</u></u>
EQUITY AND LIABILITIES			
Current liabilities		<u>171,135</u>	<u>121,555</u>
Net Assets		<u><u>27,484</u></u>	<u><u>2,258</u></u>
ACCUMULATED FUND		<u><u>27,484</u></u>	<u><u>2,258</u></u>

The financial statements on pages 5 to 13 were authorised for issue by the board on 21 October 2015 and were signed on its behalf by:

Pierre P. Gregoire
Administrator

Laura Lejman
Administrator

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Accumulated Fund

	Euro
Balance at 1 January 2013	3,860
Deficit for year	(1,602)
Balance at 31 December 2013	<u>2,258</u>
Balance at 1 January 2014	2,258
Surplus for year	25,226
Balance at 31 December 2014	<u>27,484</u>

The Arnaud Guesry Foundation
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Cash flow statement

	Notes	2014 Euro	2013 Euro
Operating activities			
Cash generated from operations	6	25,340	(1,707)
Adjustment for depreciation		1,154	430
Interest earned		6	5
		<hr/>	<hr/>
Net cash generated from operating activities		26,480	(1,272)
		<hr/>	<hr/>
Cash flows from investing activities			
Acquisition of property plant and machinery		(66,118)	(121,555)
Net cash used in investing activities		<hr/> (66,118)	<hr/> (121,555)
Cash flows from financing activities activities			
Investment capital		49,480	121,555
Net cash used in investing activities		<hr/> 49,480	<hr/> 121,555
Movement in cash and cash equivalents		9,842	(1,272)
Cash and cash equivalents at beginning of year		<hr/> 2,688	<hr/> 3,960
Cash and cash equivalents at end of year	7	<hr/> 12,530	<hr/> 2,688

Notes to the Financial Statements

1. Reporting currency

The reporting and functional currency of the foundation in these financial statements have been drawn up in Euro.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the financial year presented, unless otherwise stated.

a. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and comply with the Voluntary Organisations Act, 2007. The financial statements are prepared under the historical cost convention as modified by the fair valuation of investments.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the foundation's accounting policies. However, in the opinion of the administrators, there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

b. Income recognition

Income is recognised upon receipt and is reported in the financial statements as donations.. Other income earned by the foundation is recognised on the following basis:

Interest income - as it accrues

c. Building, plant and equipment

Building, plant and equipment, comprising office furniture and fittings are initially recorded at cost and are subsequently stated at cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Plant and equipment	10%
Furniture and fittings	10%
Building	1%

c. **Building, plant and equipment (continued)**

The buildings have not been charged depreciation since they are not completed.

d. **Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at face value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks, net of bank overdrafts.

e. **Taxation**

The administrators of The Arnaud Guesry Foundation have applied to the Minister of Finance to be granted exemption from the payment of income tax in terms of Article 12(1) e of the Income Tax Act, Chapter 123 of the Laws of Malta.

2. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Plant and Equipment	Furniture and Fittings	Total
	€	€	€	€
Year ended 31 December 2013				
Opening net book amount	-	-	-	-
Additions	117,255	4,300	-	121,555
Depreciation charge	-	(430)	-	(430)
Closing net book amount	117,255	3,870	-	121,125
At 31 December 2013				
Cost	117,255	4,300	-	121,555
Accumulated depreciation	-	(430)	-	(430)
	117,255	3,870	-	121,125
Year ended 31 December 2014				
Opening net book amount	117,255	3,870	-	121,125
Additions	58,878	4,993	2,247	66,118
Depreciation charge	-	(929)	(225)	(1,154)
	176,133	7,934	2,022	186,089
At 31 December 2014				
Cost	176,133	9,293	2,247	187,673
Accumulated depreciation	-	(1,359)	(225)	(1,584)
Closing net book amount	176,133	7,934	2,022	186,089

3. Expenses by nature

	2014	2013
	Euro	Euro
Auditor's remuneration	100	100
Depreciation	1,154	430
Volunteer lodging and other expenses in Madagascar	32,752	14,053
Other expenses	3,258	1,086
Total administrative expenses	<u>37,264</u>	<u>15,669</u>

4. Interest earned

	2014	2013
	Euro	Euro
Bank Interest	<u>6</u>	<u>5</u>

5. Trade and other payables

Amounts falling due within one year

	2014	2013
	Euro	Euro
Accruals	<u>100</u>	<u>100</u>

6 Cash generated from operations

Reconciliation of operating surplus to cash generated from operations:

	2014	2013
	Euro	Euro
Surplus/(deficit) for the year before interest received	25,220	(1,602)
Change in working capital:		
Other payables	100	(100)
Cash generated from operations	<u>25,320</u>	<u>(2,879)</u>

7. Cash and cash equivalents

For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	2014	2013
	Euro	Euro
Cash at bank and in hand	<u>12,530</u>	<u>2,688</u>

8. Statutory information

The Arnaud Guesry Foundation is a voluntary philanthropic organisation and is registered in Malta.

The Arnaud Guesry Foundation

Supplementary schedules for the year ended 31 December 2014

SCHEDULE I

Administrative expenses

The Arnaud Guesry Foundation

Supplementary schedules for the year ended 31 December 2014

Detailed Income and Expenditure account	Euro 2014	Euro 2013
Income		
Donations received	37,355	14,062
Sponsorships received	2,700	-
Malta Government grant	22,000	-
Other income	429	-
Bank interest received	6	5
	<u>62,490</u>	<u>14,067</u>
 Administrative expenses		
Professional fees	176	-
Audit fees	100	100
 Volunteer lodging and other expenses in Madagascar :		
Rent	3,013	4,530
Cleaning and consumables	1,202	449
Medical expenses	1,146	285
Food expense	7,528	1,922
Schooling and education	249	62
Repairs and maintenance	1,097	504
Insurance	31	449
Clothing	1,010	-
Prison program	549	-
Festivities	439	-
Salaries	13,094	4,930
Water and electricity	2,199	347
Telephone and internet expenses	971	225
Other expenses	224	350
 Registration fees	30	-
Bank charges	883	208
Printing and stationery	445	60
Depreciation	1,154	430
Travelling expenses	1,724	818
	<u>37,264</u>	<u>15,669</u>
 Surplus/(deficit) for the year	<u>25,226</u>	<u>(1,602)</u>