

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2007

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TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

COMPANY INFORMATION

DIRECTORS	Colm McCarthy Dr Eleanor O'Higgins John Donnelly Tom Arnold Toby Wolfe Michael Smith Dr Louis Brennan Justin F Keogan Sarah Jane Barrett
CHAIR	Justin F Keogan
VICE CHAIR	Vacant
HONORARY TREASURER	Colm McCarthy
CHIEF EXECUTIVE	John Devitt
SECRETARY	John Devitt
REGISTERED NUMBER OF INCORPORATION	390 950
REGISTERED OFFICE	School of Business Trinity College Dublin Dublin 2
AUDITORS	Michael Sargent & Company 10 Lad Lane Lower Baggot Street Dublin 2

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2007

The directors present their report and the financial statements for the year ended 31st December 2007.

Principal Activity

The principal activity of the company is the the provision of research and education into combating corruption.

Result for the year

The surplus/(deficit) for the year amounted to €10,437 (2006 - €(4,324)).

Directors

The directors who served during the year are as stated below. Unless indicated otherwise they served as directors for the entire period.

Eithne Fitzgerald	Resigned 23rd May 2007
Colm McCarthy	
Dr Garret FitzGerald	Resigned 23rd May 2007
Dr Eleanor O'Higgins	
Paul Cullen	Resigned 4th April 2007
John Donnelly	
Tom Arnold	
Alex McLean	Resigned 23rd May 2007
Patrick D'Arcy	Resigned 4th February 2008
Noeleen Hartigan	Resigned 23rd May 2007
Toby Wolfe	
Michael Smith	
Louis Brennan	

Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and promulgated 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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 1983 and 1990 to 2006. 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.

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2007**

Books of Account

The measures taken by the directors to secure compliance with the company's obligation to keep proper books of account are the use of appropriate systems and procedures and ensuring that competent persons are responsible for the books of account. The books of account are kept at the company's registered office.

Auditors

The auditors, Michael Sargent & Company, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board:

_____)
_____) Directors 10th September 2008
_____)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED**

We have audited the financial statements of Transparency International (Ireland) Limited for the year ended 31st December 2007 on pages 6 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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 auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

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

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

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 1983 and 1990 to 2006. We state whether we have obtained all the information and explanations we consider necessary for the purpose of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and

We also report to you if, in our opinion, information specified by law regarding directors' remuneration and transactions is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED**

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 2007 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 1983 and 1990 to 2006.

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 3 is consistent with the financial statements.

Michael Sargent & Company
Chartered Accountants and
Registered Auditors

10 Lad Lane
Lower Baggot Street
Dublin 2

10th September 2008

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2007**

	Notes	2007 €	2006 €
Income		68,512	50,910
Administrative expenses	3	(58,075)	(55,234)
Operating surplus/(deficit)	4	10,437	(4,324)
Taxation	5	-	-
Retained Surplus/(deficit) for the year		10,437	(4,324)
Retained surplus brought forward		2,687	7,011
Retained surplus carried forward		13,124	2,687

The notes on pages 8 - 10 form an integral part of these financial statements.

On behalf of the Board:

Director

Director

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**BALANCE SHEET
AS AT 31ST DECEMBER 2007**

		2007		2006	
		€	€	€	€
FIXED ASSETS					
Tangible assets	6		2,845		3,888
CURRENT ASSETS					
Debtors	7	1,293		1,764	
Cash at bank and in hand		13,498		2,617	
		14,791		4,381	
CREDITORS: amounts falling due within one year	8	(4,512)		(5,582)	
NET CURRENT ASSETS/(LIABILITIES)			10,279		(1,201)
Total Assets Less Current Liabilities			13,124		2,687
REPRESENTED BY:					
Accumulated surplus			13,124		2,687
General fund	9		13,124		2,687

On behalf of the Board:

Director

Director

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2007

1. ACCOUNTING POLICIES

1.1. Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Income

The income of the company is accounted for on a receipts basis, and expenditure is accounted for on an accruals basis.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	-	20% Straight Line
Computer equipment	-	20% Straight Line

2. STATUS OF THE COMPANY

The company is limited by guarantee, not having a share capital.

3. EMPLOYEES

Employment costs	2007 €	2006 €
Wages, salaries and pensions	30,675	30,604
Social welfare costs	3,288	3,288
	<u>33,963</u>	<u>33,892</u>

Analysed as follows:

Wages and salaries	<u>33,963</u>	<u>33,892</u>
	<u>33,963</u>	<u>33,892</u>

4. OPERATING SURPLUS/(DEFICIT)

	2007 €	2006 €
Operating surplus/(deficit) is stated after charging:		
Depreciation of tangible assets	1,043	1,043
Auditors' remuneration	1,000	900
	<u>1,043</u>	<u>900</u>

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007**

..... continued

5. TAXATION

The company is a Not For Profit organisation. Accordingly, the company has been granted exemption from corporation tax by the Revenue Commissioners.

6. TANGIBLE ASSETS

	Fixtures, fittings & equipment	Computer Equipment	Total
	€	€	€
Cost			
At 1st January 2007			
At 31st December 2007	1,326	3,890	5,216
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st January 2007	423	905	1,328
Charge for the year	265	778	1,043
	<hr/>	<hr/>	<hr/>
At 31st December 2007	688	1,683	2,371
	<hr/>	<hr/>	<hr/>
Net book values			
At 31st December 2007	638	2,207	2,845
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st December 2006	903	2,985	3,888
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7. DEBTORS

	2007	2006
	€	€
Other debtors	124	71
Prepayments and accrued income	1,169	1,693
	<hr/>	<hr/>
	1,293	1,764
	<hr/> <hr/>	<hr/> <hr/>

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007**

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8. CREDITORS: amounts falling due within one year	2007	2006
	€	€
Other taxes and social security costs	2,106	2,106
Other creditors	506	466
Accruals	1,900	3,010
	<u>4,512</u>	<u>5,582</u>

9. RECONCILIATION OF MOVEMENTS IN GENERAL FUND

	2007	2006
	€	€
Surplus/(deficit) for the year	10,437	(4,324)
Opening members funds	2,687	7,011
	<u>13,124</u>	<u>2,687</u>

10. SECURITY

There is no security held over the assets of the company.

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the directors on 10th September 2008.

TRANSPARENCY INTERNATIONAL (IRELAND) LIMITED

**DETAILED INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2007**

	2007		2006	
	€	€	€	€
Income				
Grants from Joseph Rowntree Charitable Trust		35,394		34,219
Membership Fees		1,118		1,721
Research income from Department of Justice		10,000		14,970
Executive education income from Irish Aid		22,000		-
		68,512		50,910
 Administrative expenses				
Wages and salaries	30,675		30,604	
Employer's PRSI contributions	3,288		3,288	
Venue hire and catering	1,494		675	
Printing, postage and stationery	1,018		6,165	
Public Information	-		219	
Telephone & Internet	904		1,651	
Computer costs	123		484	
Motor & travel expenses	5,785		2,138	
Executive education expenses	3,855		-	
Research Expenses	5,600		2,842	
Publicity	-		3,329	
Audit	1,000		900	
Bank charges	176		131	
Conferences & staff training	2,630		913	
General expenses	428		655	
Subscriptions	56		197	
Depreciation	1,043		1,043	
		(58,075)		(55,234)
Excess of income over expenditure		10,437		(4,324)