GLOBAL E-SCHOOLS AND COMMUNITIES INITIATIVE, (GESCI) KENYA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2015

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Board members	Mr Brendan Tuohy - Chairman Mr Jerome Morrissey - Secretary Mr Joseph Okelo - Treasurer Dr. Raymond Myers Ms Christina Susanna Gertruida Van Wyk Mr Matti Sinko Mr Byll-Cataria, Ahlin
Registered office	L.R. No 1870/IX/58 9th Floor, Unga House P.O. Box 44 - 00606 Westlands, Nairobi, Kenya.
Independent auditor	RSM Eastern Africa Certified Public Accountants 1st Floor, Pacis Centre, Slip Road, off Waiyaki Way, Westlands P.O. Box 349 - 00606 Nairobi, Kenya.
Principal banker	Barclays Bank of Kenya Limited Westlands Branch, P.O. Box 46661 - 00100 Nairobi, Kenya.
Legal advisor	Iseme, Kamau & Maema Advocates IKM Place, Tower A, 5th Floor, 5th Ngong Avenue, P.O. Box 11866 - 00400 Nairobi, Kenya.

The board submits its report together with the audited financial statements for the year ended 31st December 2015, which disclose the state of affairs of the organisation.

Registration

Global E-Schools and Communities Initiative, Kenya is a Non-Governmental Organisation (NGO) registered on 22nd March 2007 under the National NGO Co-ordination Act of 1990 and began operations on 1st September 2007.

Principal activities

The principal activity of GESCI is to assist Governments in the socio-economic development of their countries, through the widespread integration of technology for knowledge society development and in particular the application of ICT to enhance education.

Results

The net surplus for the year of € 1,664,271 (2014: € 307,630) has been transferred to the general fund and project fund balances.

Board

The members of the board who held office during the year and to the date of this report are set out on page 1.

Auditor

The organisation's auditor, RSM Eastern Africa, has expressed its willingness to continue in office.

By order of the board

Brendan Tuohy
....
Chairman - Brendan Tuohy

Nairobi ....13 June.......... **2016**

It is the responsibility of the board to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of the operating results of the organisation for that year. The board is also required to ensure that the organisation maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the organisation. The board members are also responsible for safeguarding the assets of the organisation.

The board accepts responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. The board members also accept responsibility for:

i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
ii) selecting and applying appropriate accounting policies; and
iii) making accounting estimates and judgements that are reasonable in the circumstances.

The board is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the organisation as at 31st December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirement of Swedish International Development Agency (Sida).

Nothing has come to the attention of the board to indicate that the organisation will not remain a going concern for at least twelve months from the date of this statement.

Approved by the board of on ...30th March... 2016 and signed on its behalf by:

Chairman - Brendan Tuohy

Secretary - Jerome Morrissey

RSM Eastern Africa
Certified Public Accountants

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REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD OF GLOBAL E-SCHOOLS AND COMMUNITIES INITIATIVE, KENYA

Report on the financial statements

We have audited the organisation financial statements of Global E-Schools and Communities Initiative, Kenya, set out on pages 5 to 16 which comprise the statement of financial position as at 31st December 2015, the income statement, statements of financial position and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Board's responsibility for the financial statements

The board is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we 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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the organisation'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 organisation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of the organisation as at 31st December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of Swedish International Development Cooperation Agency (Sida).

Basis of Accounting and Restriction of Distribution and Use

Without modifying our opinion above, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Global E-schools and Communities Initiative, Kenya and the donors. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Global E-Schools and Communities Initiative, Kenya and the donors and should not be distributed to or used by parties other than Global E-Schools and Communities Initiative, Kenya and the donors.

The engagement partner responsible for the audit resulting in this independent auditor's report was FCPA Ashif Kassam, Practising Certificate No. 1126

RSM Eastern Africa
Certified Public Accountants
FCPA Ashif Kassam
Nairobi

..........30th June...... **2016**
165/2016

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INCOME STATEMENT FOR THE YEAR END 31ST DECEMBER 2015

	Note	2015	2014
		€	€
Grant income	4 (a)	3,172,682	2,090,700
Other income	4 (b)	3,090	2,108
		3,175,772	2,092,808
Staff costs		(1,045,112)	(913,522)
Capacity building		(339,431)	(482,777)
Communication		(20,457)	(16,246)
Other operating expenses		(152,513)	(218,120)
Finance income/(costs)	5	46,012	(154,513)
Surplus for the year	6/7	1,664,271	307,630
Made up of:			
Surplus from project fund		1,661,181	305,522
Surplus from general fund		3,090	2,108
		1,664,271	307,630

STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2015

	Note	2015 €	2014 €
FUND BALANCES			
Project fund balances	7	3,556,093	1,960,353
General fund balances		(389,977)	(398,574)
		3,166,116	1,561,779
Non-current liabilities			
Deferred income	8	12,613	14,019
		3,178,729	1,575,798
REPRESENTED BY			
Non-current assets			
Property and equipment	9	12,613	14,019
Intangible asset	10	-	-
		12,613	14,019
Current assets			
Receivables and deposits	11	58,444	35,311
Cash at bank and in hand	12	3,153,365	1,604,073
		3,211,809	1,639,384
Current liabilities			
Payables	13	45,693	77,605
Net current assets		3,166,116	1,561,779
		3,178,729	1,575,798

The financial statements on pages 5 to 16 were approved by the board for issue on 30th March 2016 and were signed on its behalf by:

Chairman
Brendan Tuohy

Secretary
Jerome Morrissey

STATEMENT OF CHANGES IN FUND BALANCES FOR THE YEAR ENDED 31ST DECEMBER 2015

	General Fund €	Projects Fund €	Total €
At 1st January 2014			
As previously stated	-	1,141,758	1,141,758
Prior year adjustment	(400,810)	400,810	-
As restated	(400,810)	1,542,568	1,141,758
Surplus for the year	2,108	305,522	307,630
Effects of exchange differences	128	112,263	112,391
At 31st December 2014	(398,574)	1,960,353	1,561,779
At 1st January 2015 (restated)	(398,574)	1,960,353	1,561,779
Surplus for the year	3,090	1,661,181	1,664,271
Effects of exchange differences	5,507	(65,441)	(59,934)
At 31st December 2015	(389,977)	3,556,093	3,166,116

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2015

	Note	2015 €	2014 €
Cash flows from operating activities			
Surplus for the year		1,664,271	307,630
Adjustments for:			
Depreciation of property and equipment	9	10,222	9,866
Gain on disposal of property and equipment	9	-	(1,386)
Operating surplus before working capital changes		1,674,493	316,110
(Increase) in receivables and deposits		(23,133)	(4,802)
(Decrease)/increase in deferred income		(1,406)	653
(Decrease)/increase in other payables		(31,912)	71,201
Net cash generated from operating activities		1,618,042	383,162
Cash flows from investing activities			
Purchase of property and equipment	9	(8,781)	(10,999)
Proceeds from sale of property and equipment		-	2,310
Net cash used in investing activities		(8,781)	(8,689)
Net increase in cash and cash equivalents		1,609,261	374,473
Effect of currency conversion during the year		(59,969)	111,946
Cash and cash equivalents at 1st January		1,604,073	1,117,654
Cash and cash equivalents at 31st December	12	3,153,365	1,604,073

NOTES

1. Summary of significant accounting policies

The significant accounting policies adopted in the preparation of these general purpose financial statements are set out below:

a) Basis of preparation

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS). The functional currency is Kenya Shillings (Shs), which has been translated in Euros to comply with the reporting requirement of the donors (see (d) below).

The financial statements comprise a profit and loss account (income statement), balance sheet (statement of financial position), statement of change in fund balances, statement of cash flows, and notes. Income and expenses are recognised in the profit and loss account.

Measurement basis

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

b) New and revised standards

i) Adoption of new and revised standards

A number of amendments to standards and one interpretation became effective for the first time in the financial year beginning 1st December 2015 and have been adopted by the organisation. None of them has had an effect on the organisation's financial statements.

ii) New and revised standards and interpretations which have been issued but are not yet effective

The organisation has not applied the following revised standards and interpretations that have been published but are not yet effective for the year beginning 1st December 2015:

• IFRS 14 Regulatory Deferral Accounts (issued in January 2014, effective for annual accounting periods beginning on or after 1 January 2016)

• Amendments to IAS 16 and IAS 38 titled Clarification of Acceptable Methods of Depreciation and Amortisation (issued in May 2014, effective for annual periods beginning on or after 1 January 2016)

• IFRS 9 Financial Instruments (issued in July 2014, effective for annual periods beginning on or after 1 January 2018)

• Amendment to IAS 19 (Annual Improvements to IFRSs 2012–2014 Cycle, issued in September 2014, effective for annual periods beginning on or after 1 January 2016)

• Amendment to IFRS 5 (Annual Improvements to IFRSs 2012–2014 Cycle, issued in September 2014, effective for annual periods beginning on or after 1 January 2016)

• Amendment to IFRS 7 (Annual Improvements to IFRSs 2012–2014 Cycle, issued in September 2014, effective for annual periods beginning on or after 1 January 2016)

The members of the board do not plan to apply any of the above until they become effective. Based on their assessment of the potential impact of application of the above, they do not expect that there will be a significant impact on the organisation's financial statements.

c) Revenue and expenditure recognition

Grants and donations are recognised when received.

Expenditure is accounted on an accrual basis.

NOTES (CONTINUED)

1. Summary of significant accounting policies (continued)

d) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the organisation operates), which is Kenya Shillings, which are then translated in Euros to comply with the reporting requirement of the donors.

Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the income statement in the year in which they arise.

e) Taxation

Global E-Schools and Communities Initiative, Kenya is exempt from income tax under the First Schedule, paragraph 10 of the Income Tax Act. The organisation is exempted under the Privileges and Immunity Act Chapter 179, which was gazetted on 7th October 2011.

f) Financial instruments

Classification

Financial instruments held during the year were classified as follows:

- Receivables and deposits were classified as financial assets
- Payables were classified as financial liabilities.

Recognition and measurement

Financial assets:

All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale. Financial assets carried at fair value through profit or loss are initially recognised at fair value and the transaction costs are expensed in the profit and loss account.

Subsequently, receivables and deposits are carried at amortised cost using the effective interest method.

Amortised cost is the amount at which the financial asset or liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility.

Financial liabilities:

All financial liabilities are recognised initially at fair value of the consideration given plus the transaction cost with the exception of financial liabilities carried at fair value through profit or loss, which are initially recognised at fair value and the transaction costs are expensed in the profit and loss account.

Subsequently, all financial liabilities are carried at amortised cost using the effective interest method except for financial liabilities through profit or loss which are carried at fair value.

Presentation

All financial assets are classified as non-current except financial assets at fair value through income statement, those with maturities of less than 12 months from the balance sheet date, those which the board has express intention of holding for less than 12 months from the balance sheet date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

NOTES (CONTINUED)

1. Summary of significant accounting policies (continued)

f) Financial instruments (continued)

Presentation

All financial liabilities are classified as non-current except financial liabilities at fair value through income statement, those expected to be settled in the organisation's normal operating cycle, those payable or expected to be paid within 12 months of the balance sheet date and those which the organisation does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the organisation has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

g) Post-employment benefit obligations

The organisation operates a defined contribution retirement benefits plan for its employees, the assets of which are held in a separate trustee administered scheme managed by an insurance organisation. A defined contribution plan is a plan under which the organisation pays fixed contributions into a separate fund, and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods. The organisation's contributions are charged to the profit and loss account in the year to which they relate.

The organisation and its employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the organisation's contributions are charged to the profit and loss account in the year to which they relate.

h) Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful life, using the straight-line method. The following annual rates are used for the depreciation of property and equipment:

	Rate %
Office equipment	12.5%
Computers	33.3%
Furniture and fittings	12.5%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in income statement.

All assets acquired for Global E-Schools and Communities Initiative, Kenya various projects are expensed.

1. Summary of significant accounting policies (continued)

i) Intangible assets - computer software costs

Software licence costs that are not an integral part of the related hardware are initially recognised at cost, and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Costs that are directly attributable to the production of identifiable computer software products controlled by the organisation are recognised as intangible assets. Amortisation is calculated using the straight line method to write down the cost of each licence or item of software to its residual value over its estimated useful life using an annual rate of 33.33%.

j) Deferred income

Grants received for the purchase of property and equipment are taken to deferred income and transferred to the income statement over the expected lives of the respective assets.

k) Cash and cash equivalents

Cash and cash equivalents include cash with banking institutions.

2. Risk management objectives and policies

a) Financial risk management

The organisation's activities expose it to a variety of financial risks including credit, liquidity, market risks and the effect of changes in foreign currency. The organisation's overall risk management programme focus on the unpredictability of changes in the business environment and seek to minimise the potential adverse effects of such risks on its performance by setting acceptable levels of risk.

i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from financial assets, and is managed on a organisation-wide basis. The organisation does not grade the credit quality of financial assets that are neither past due nor impaired.

Credit risk on financial assets with banking institutions is managed by dealing with institutions with good credit ratings and placing limits on deposits that can be held with each institution.

The credit exposure of the organisation as at the balance sheet date is as follows:

	Fully performing €	Past due but not impaired €	Past due and impaired €	Total €
Year ended 31st December 2015				
Receivables and deposits	58,444	-	-	58,444
Cash at bank	3,153,365	-	-	3,153,365
	3,211,809	-	-	3,211,809
Year ended 31st December 2014				
Receivables and deposits	35,311	-	-	35,311
Cash at bank	1,604,073	-	-	1,604,073
	1,639,384	-	-	1,639,384

NOTES (CONTINUED)

2. Risk management objectives and policies (continued)

a) Financial risk management (continued)

ii) Liquidity risk

Liquidity risk is the risk that the organisation will encounter difficulty in meeting obligations associated with financial liabilities. The organisation pays trade payables and other payables as they are due. The organisation has not developed a formal liquidity risk management policy but rather relies on the judgement of board.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities.

	Less than 1 month €	Between 1-3 months €	Between 3-12 months €	Total €
Year ended 31st December 2015				
Payables	45,693	-	-	45,693
Year ended 31st December 2014				
Payables	77,605	-	-	77,605

iii) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises two types of risks: currency risk and other price risk.

Currency risk

Currency risk arises on financial instruments denominated in foreign currency. The organisation has trade receivables, trade payables and borrowings that are denominated in foreign currency.

The significant exposure in respect of each currency is as follows:

Year ended 31st December 2015	**Shs**	**Total**
Cash at bank	3,153,365	3,153,365
Year ended 31st December 2014		
Cash at bank	1,604,073	1,604,073

If the foreign currency were to appreciate against the Kenya Shilling by 10%, with all other factors remaining constant, the surplus for the year would be lower / higher by € 220,736 (2014: 112,285).

Other price risk

The organisation is not exposed to other price risk.

3. Significant judgements and key sources of estimation uncertainty

There are no critical accounting estimates and judgements made in the preparation of the financial statements for the current year.

NOTES (CONTINUED)

4(a). Grant income

	2015 €	2014 €
MoEVT-Tanzania	-	29,854
Ghana Connectivity for Senior Sec Sch	-	10,950
Intel Corporation	16,429	7,874
British Council	-	21,842
The Master Card Foundation-SIPSE Program	-	180,105
Results for Development -PSIPSE Fund	-	7,570
Ministry of Foreign Affairs- AKE 2	250,000	-
Interest Income-AKE funds	-	2,262
Swedish International Development Agency	533,660	521,568
Interest Income-Sida Funds	-	4,705
Ministry of Foreign Affairs-ALICT phase	1,000,000	1,300,000
The Master Card Foundation-ADSI Programme	1,372,593	-
Interest Income-ALICT funds	-	3,668
Interest Income	-	302
	3,172,682	2,090,700

4(b). Other income

	2015 €	2014 €
Dublin Business innovation	1,000	-
Gain on disposal of property and equipment	-	1,386
Miscellaneous income	2,090	722
	3,090	2,108

5. Finance income/(costs)

	2015 €	2014 €
Foreign exchange gain/(loss)	46,012	(154,513)

The exchange gain or loss arises from the translation of foreign currency at the year end.

6. Surplus for the year

The following items have been charged in arriving at the surplus for the year:

	2015 €	2014 €
Employee benefits expense	1,045,112	913,522
Depreciation of property and equipment	10,222	9,866
Auditors' remuneration	7,646	8,662

7. Project fund balances

	2015 €	2014 €
As at 1st January (Restated)	1,960,353	-
As previously stated	-	1,141,758
Prior year adjustment	-	400,810
As restated	1,960,353	1,542,568
Receipts during the year taken to income statement	3,172,682	2,090,700
Payments made expenses in the income statement	(1,557,513)	(1,630,665)
Foreign exchange (loss)/gain	46,012	(154,513)
Surplus for the year	1,661,181	305,522
Effect of exchange differences	(65,441)	112,263
As at 31st December	3,556,093	1,960,353

NOTES (CONTINUED)

8. Deferred income

Deferred income relates to funds utilised in the acquisition of assets and are transferred to the income statement over the expected lives of the respective asset.

	2015 €	2014 €
At 1st January	14,019	13,365
Received during the year	8,781	10,999
Grant amortised during the year - property and equipment (Note 4)	(10,222)	(9,866)
Assets disposed in the year	-	(980)
Exchange difference	35	501
At 31st December	12,613	14,019

9. Property, plant and equipment

	Furniture & fittings €	Computers copiers & faxes €	Office equipment €	Total €
At 1st January 2014				
Cost	11,583	31,295	15,521	58,399
Accumulated depreciation	(8,034)	(28,119)	(8,280)	(44,433)
Exchange difference	(164)	(189)	(248)	(601)
Net carrying value	3,385	2,987	6,993	13,365
Year ended 31st December 2014				
Opening carrying amount	3,385	2,987	6,993	13,365
Additions	-	10,999	-	10,999
Disposals	-	(980)	-	(980)
Charge for the year	(1,409)	(6,506)	(1,951)	(9,866)
Exchange difference	192	(148)	457	501
Closing carrying value	2,168	6,352	5,499	14,019
At 31st December 2014				
Cost	11,583	41,314	15,521	68,418
Accumulated depreciation	(9,443)	(34,625)	(10,231)	(54,299)
Exchange difference	28	(337)	209	(100)
Net carrying amount	2,168	6,352	5,499	14,019
At 1st January 2015				
Cost	11,583	41,314	15,521	68,418
Accumulated depreciation	(9,443)	(34,625)	(10,231)	(54,299)
Exchange difference	28	(337)	209	(100)
Net carrying value	2,168	6,352	5,499	14,019
Year ended 31st December 2015				
Opening carrying amount	2,168	6,352	5,499	14,019
Additions	322	8,459	-	8,781
Charge for the year	(1,549)	(6,585)	(2,088)	(10,222)
Exchange difference	5	61	(31)	35
Closing carrying value	946	8,287	3,380	12,613
At 31st December 2015				
Cost	11,905	49,773	15,521	77,199
Accumulated depreciation	(10,992)	(41,210)	(12,319)	(64,521)
Exchange difference	33	(276)	178	(65)
Net carrying amount	946	8,287	3,380	12,613

NOTES (CONTINUED)

10. Intangible assets

	2015	2014
	€	€
Cost		
At 1st January	3,786	3,498
Exchange difference	(55)	288
At 31st December	3,731	3,786
Amortisation		
At 1st January	3,786	3,498
Exchange difference	(55)	288
At 31st December	3,731	3,786
Net book amount		
At 31st December	-	-

11. Receivables and deposits

	2015	2014
Prepayment	46,000	25,871
Other receivables	3,142	
Deposits	9,302	9,440
	58,444	35,311

The carrying amounts of receivables approximates to their fair value.

12. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

	2015	2014
Cash at bank and in hand	3,153,365	1,604,073

13. Payables

	2015	2014
Other payables	45,693	77,605

The carrying amount of payables approximates to their fair value.

14. Operating lease Commitments

Operating lease commitments represent rentals payable by the organisation for rented office space. Rental expenses during the year amounted to € 63,148 (2014: € 54,795).

The future minimum lease payments under operating leases are as follows:

	2015	2014
	€	€
Not later than 1 year	63,148	54,795
Later than 1 year and not later than 5 years	96,542	96,542
	159,690	151,337

SCHEDULE OF OPERATING EXPENDITURE

	2015	2014
1. STAFF COSTS	€	€
Salaries and wages	805,076	705,668
Statutory deductions	96,596	79,312
Pension contribution	83,843	75,047
Home trip benefits	1,511	2,300
Recruitment expenses	-	228
Relocation expenses	8,035	1,584
Travel insurance	2,446	2,794
Health insurance	30,165	27,858
Death & disability insurance	17,440	17,422
Staff training & development	-	3,491
Staff resource charges	-	(2,182)
	1,045,112	913,522

	2015	2014
2. CAPACITY BUILDING		
Official travel	16,375	19,172
Per diem	19,486	10,809
Meetings & workshops	138,851	201,761
Conferences	20,901	5,244
Consultants and external services	143,818	245,791
	339,431	482,777

	2015	2014
3. COMMUNICATION		
Deliveries & courier	799	343
Telephone	4,219	4,371
Internet	14,937	11,532
Marketing and promotional materials	502	-
	20,457	16,246

	2015	2014
4. OTHER OPERATING EXPENSES		
Rent & utilities	63,148	54,795
Insurance	6,369	6,448
Office printing and stationery	6,494	3,669
Newspapers	447	58
IT support systems	9,763	3,924
Other office costs	38,961	125,169
Printer contract and consumables	337	175
Audit fees	7,646	8,662
Legal and professional fees	7,964	4,218
Depreciation of property, plant and equipment	10,222	9,866
Bank charges	1,162	1,136
	152,513	218,120

SCHEDULE OF FUND BALANCES

Donor	Project Fund Balance at 1st January	* Prior year adjustments	Restated Project Fund Balance	Grant Income Received	Operating Expenditure	Surplus	Effect of Exchange Difference	Fund Balance at 31st December
	€	€	€	€	€	€	€	€
Dublin Business Innovation	2,024	(2,024)	-	-	-	-	-	-
Tanzania Beyond Tomorrow	(1,462)	1,462	-	-	-	-	-	-
Ministry of Foreign Affairs-ALICT Phase 1	(1,013,336)	1,013,336	-	-	-	-	-	-
Ministry of Education & Vocational Training	8,240	(8,240)	-	-	-	-	-	-
African Knowledge Exchange Phase 1	58,225	-	58,225	-	-	-	(840)	57,385
Ghana Connectivity for Senior Sec Schools	36,001	-	36,001	-	-	-	(520)	35,481
Intel Corporation	27,318	-	27,318	16,429	(1,099)	15,330	(750)	41,898
British Council	21,175	-	21,175	-	-	-	(305)	20,870
The Master Card Foundation-SIPSE Program	102,302	-	102,302	-	(58,242)	(58,242)	(125)	43,935
The Master Card Foundation-ADSI Program	-	-	-	1,372,593	-	1,372,593	(31,839)	1,340,754
Result for Development-PSIPSE Program	319	-	319	-	-	-	(5)	314
Ministry of Foreign Affairs-AKE Phase 2	44,854	-	44,854	250,000	(66,385)	183,615	(4,906)	223,563
Swedish International Development Agency	1,272,434	-	1,272,434	533,660	(657,463)	(123,803)	(14,245)	1,134,386
Ministry of Foreign Affairs-ALICT Phase 2	397,725	-	397,725	1,000,000	(728,312)	271,688	(11,906)	657,507
Disbursement from GESCI Ireland	582,004	(582,004)	-	-	-	-	-	-
Amortised grant income	23,024	(23,024)	-	-	-	-	-	-
Income from capitalised assets	(2,824)	2,824	-	-	-	-	-	-
Gain on assets on disposal	1,520	(1,520)	-	-	-	-	-	-
Total	1,559,543	400,810	1,960,353	3,172,682	(1,511,501)	1,661,181	(65,441)	3,556,093

* Prior year adjustments relate to amounts reclassified from the Project Fund Balances to the General Fund as these do not relate to project balances