

The background of the cover is a photograph of a woman with long brown hair, wearing a black top and orange trousers, smiling and looking down. In the background, another woman in a red and black patterned dress and headwrap is visible, along with a chalkboard containing drawings and text.

Voluntary Service Overseas Ireland

Annual Report and Financial Statements
for the year ending 31 March 2015

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Khadija, a pupil at the Mtoni Primary School on Zanzibar where Irish teacher and VSO volunteer Tom O'Donoghue is volunteering.

Lisa McMahon, a teacher from Warrenpoint, Co. Down, works with Rwandan teacher Donat Karekazi to improve teaching techniques in her classroom in Rwanda (cover).

Chair and Executive Director Introductions

Looking back on ten years in Ireland, I am enormously proud of what VSO Ireland has accomplished. We have seen our reach and abilities grow in volunteer recruitment and management, fundraising and advocacy.

It was an honour to meet many of our returned volunteers at the 10th anniversary celebration, to hear their stories and learn about the contributions they have made in trying to improve the lives of some of the world's poorest people.

In the last year we have sent the first Irish volunteers as part of a new initiative with the Irish government through the Irish Aid Volunteering Initiative. We have worked hard to improve how we recruit and manage our volunteers, and are excited by the possibilities opened up by the new systems we have introduced. I am proud to report that we are broadening our fundraising activities and taking a more active role in discussions and decision-making on the future of development.

At the end of this year, the Millennium Development Goals will give way to a new global platform for development co-operation, the Sustainable Development Goals. They will guide the work of

governments, NGOs and individuals working in development co-operation for the next 15 years.

VSO is an organisation that values the principles of partnership, knowledge exchange and work that is developed and delivered from the ground up. We have a unique understanding and commitment to sustainability and volunteers will continue to have a central role to play in implementing the new development agenda.

As we look ahead to the coming decade with a renewed sense of ambition, passion and commitment, I want to acknowledge and thank all of the donors, supporters and partners who have joined us on this journey over the last ten years. Above all, I want to recognise the work of our volunteers, past, present and future.

Iarla Mongey, Chair



VSO Ireland's aim is to reduce poverty by putting people first in creating sustainable development. Partnership is at the heart of this mission and it starts with the collaboration between our volunteers and their counterparts in local organisations and continues right through our work in Ireland with donors, professional bodies, unions and campaigners.

We are enormously proud of and grateful for the significant contribution that our Irish volunteers make at all levels of development – grassroots, Civil Society Organisations and governments. Through their actions, our volunteers demonstrate the unique and powerful role that volunteering plays in the fight against poverty. We know from our long experience in the field that real, sustainable change happens when we bring skilled and dedicated professional people together to share their knowledge, their learning and their expertise with each other and with local communities.

VSO Ireland is indebted to our many donors and partners whose continued support makes our work possible. This year we have seen the first outcomes from our Irish Aid Volunteer Initiative funded pilot programmes in Ethiopia, Uganda, and Zambia. Through this new partnership our volunteers have trained over 300 Ugandan teachers in 20 targeted primary schools in new teaching and learning methodologies and in school leadership and management. In Ethiopia, the first of six new Neonatal Intensive Care Units was opened, with three more on track to be completed in July 2015. In Zambia, volunteers working with District Councils have improved budgeting, finance and revenue collection, and councils are now submitting realistic budgets and are increasing revenue through local initiatives.

In the last year, the focus of VSO's advocacy effort has been on the Post-2015 process, which by September 2015 will decide a new set of global goals, the Sustainable Development Goals. We have also used this work to establish VSO Ireland as a thought leader in volunteering for development and a leading advocate for volunteerism, including at the UN General Assembly.

At the heart of the Sustainable Development Goals is a commitment to leaving no-one behind. Because volunteers have a unique ability to reach the poorest and most marginalised people, volunteerism will have a central role to play in implementing these new goals.

The highlight of my first few months at VSO Ireland has been meeting our volunteers. Whether the meeting takes place before, during or after their placement, I am always impressed and humbled by their commitment, their ingenuity and their passion.

On behalf of all the team at VSO Ireland, I would like to extend a heartfelt thank you to all our volunteers, donors, supporters and partners who have collaborated with us this year to share their skills, knowledge and support us in our mission of achieving a world without poverty.

Megan Munsell, Executive Director



What makes VSO Ireland different?

VSO Ireland is an international development organisation that proudly works through volunteers to achieve our vision of a world without poverty. Our approach to development is different to that of traditional aid. It is based on the idea that knowledge sharing is central to poverty eradication, and that by bringing people together to share their knowledge, their skills and their experiences with each other, we build the capacity that helps people to create better lives for themselves and the communities around them.

The work of a VSO volunteer is by its nature collaborative. It's about living and working alongside people, understanding the challenges they face and using that insight to work with them to create solutions that are locally appropriate and locally owned. By listening to our partners and beneficiaries, we avoid duplicating effort and 'reinventing the wheel'. Solutions created in this way will last, and evolve, long after the VSO volunteer has returned home.

In the last year, 33 Irish VSO volunteers worked with local partner organisations, from government ministries to grassroots organisations in 13 countries in Africa, Asia and the Pacific. Irish volunteers worked on programmes in education, health, participation and governance and secure livelihoods. These themes reflect the priorities of our partner organisations

overseas, the national development priorities of the countries we work in, the Millennium Development Goals and our areas of expertise as an organisation.

VSO Ireland is a member of the VSO Federation, which last year worked in 28 countries to support 542 partner organisations, providing training, mentoring and coaching for over 137,000 people and improving the quality of services provided to 1.95 million poor and marginalised people. VSO Ireland's role within the VSO Federation is to recruit skilled, experienced volunteers to add value to our programmes, to raise funds for these programmes and to support VSO's global advocacy work.

At a glance



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In the last year, 33 Irish VSO volunteers worked with local partner organisations, from government ministries to grassroots organisations, in 13 countries in Africa, Asia and the Pacific.



Tim O'Connor, a former school principal at Schull Community College in Co. Cork, facilitates a workshop at the Provincial Office of Education in Battambang, Cambodia.

We have transformed the way that we recruit volunteers. All of our volunteer placements are now published online and potential volunteers can search for suitable opportunities, read job descriptions and apply for specific placements through the VSO Ireland website, www.vso.ie. This direct application process has yielded a high calibre of applicants and it means we can recruit volunteers from the Irish diaspora. In 2014/15, we sent 14 highly skilled volunteers overseas including health professionals, primary teachers, business professionals and English language teachers. We also reviewed and expanded our Eminent Volunteering programme, which sends volunteers with a mix of CEO-level and intercultural experience on high-level, short-term advisory placements with VSO partners.

At VSO Ireland we are proud of our returned volunteers, and we commit considerable time and effort in maintaining strong relationships with them. As well as regular Returned Volunteer Days and one-to-one debriefings to support volunteers with resettlement, last year we held a special 10th anniversary event to celebrate their contribution to development.

At a glance



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In 2014/15, we sent 14 highly skilled volunteers overseas including health professionals, primary teachers, business professionals and English language teachers.



Education Volunteer Róisín Ní Chuanaigh and a Rwandan classroom teacher assist a young boy to write. Róisín worked as a Methodology Trainer with the Musanze District in Rwanda.

VSO Ireland's contribution to poverty reduction

Volunteers who were overseas in the period 2014/15
Eminent Volunteers
Fundraising partners who made contributions to programmes in 2014/15
Funded under the Irish Aid Volunteering Initiative

Zambia	
Financial Management Advisor	Participation and Governance
Physical Planning Advisor	Participation and Governance
Monitoring and Evaluation Advisor	Participation and Governance
Physical Planning Advisor	Participation and Governance
Organisational Resourcing & Accountability Advisor	Participation and Governance
Irish Aid	Governance

Uganda	
Vocational Training Specialist	Education
Inspection Advisor	Education
Volunteer Programme Advisor	Secure Livelihoods
Irish Aid	Education
Electric Aid	Secure Livelihoods
Irish National Teachers' Organisation	Education

The Gambia	
Youth Engagement and Participation Officer	Participation and Governance

Ghana	
Special Needs Officer	Education

Ethiopia	
Gynaecologist	Health
Hospital Administrator	Health
Project Management Expert	Participation and Governance
Higher Diploma Leader	Education
Anaesthesiologist	Health
Ministry of Health Advisor	Health
Irish Aid	Health

Nepal	
Community Mobiliser - Education	Education

Zimbabwe	
Bishops Appeal	Secure Livelihoods
Anonymous Foundation	Health/HIV

Rwanda	
Literacy and Numeracy Advisor	Education
Teaching Methodology Advisor	Education
Teaching Methodology Advisor	Education
Teaching Methodology Advisor	Education
Youth Employment Strategy Advisor	Secure Livelihoods

Pakistan	
Peace Building Specialist	Participation and Governance

Myanmar	
English Language Teacher Education Colleges	Education
English Language Teacher Education Colleges	Education
English Language Teacher - Thingangyun Education Centre Yangon	Education
Education Sector Technical Adviser	Education

Laos	
Project Development Advisor	Organisational Development

Cambodia	
Organisation Management Adviser	Organisational Development
Education Management Adviser	Education
Teacher Training Adviser	Education

Philippines	
Allergan Foundation	Emergency response


Papua New Guinea	
Monitoring and Evaluation Specialist	Health

Tanzania	
Quality Teaching Advisor	Education
Internal Medicine Specialist	Health
School Leadership Facilitator	Education
Strategic Planning Expert	Health


Mozambique	
Organisational Development Advisor	Education
Bentley Foundation	Secure Livelihoods
Electric Aid	Secure Livelihoods
Dublin City Council	Secure Livelihoods - Maximising Mangroves in Mozambique

Highlights







VSO Ireland launched Changemakers, a quarterly magazine showcasing the impact of VSO to our donors (p.17)




We launched our Women in Power Research (p.13)




We sent five CEO-level Eminent Volunteers this year to work with partners in Ethiopia, Mozambique, Pakistan, Rwanda and Tanzania (p.5, 6)



VSO Ireland was represented at UN negotiations on the Post-2015 agenda, with speeches by James O'Brien and Esther Caroline Mkamori, a former National Volunteer with VSO Jitolee in Kenya (p.13)



Irish volunteers depart for our Irish Aid-supported programmes in Ethiopia, Uganda and Zambia (p. 9, 11, 13)



VSO Ireland celebrated its 10th Anniversary with a Volunteer reception in April 2014 (p.8)

10th Anniversary Celebration

In April 2014 we marked our 10th Anniversary with a celebration of our volunteers. Eighty returned VSO volunteers, including some who had volunteered as far back as 1967, joined us at the Old House of Lords in Dublin to reminisce on their time abroad and celebrate their achievements.

Joe Costello TD, Minister of State for Trade and Development, spoke about the impact and legacy of VSO volunteers and the power of volunteering as an approach to development. He also presented our returned volunteers with certificates to recognise their contribution to the fight against poverty.

To ensure that our volunteers currently serving overseas were a part of the celebrations, we asked them to record video messages which we played on the night. We also launched an exhibition of photos taken by VSO volunteers on their placements which were later displayed in the Irish Aid Volunteering Centre and now take pride of place in the VSO Ireland office.

Throughout the anniversary year, we assisted our returned volunteers in telling their stories in local newspapers so that they could bring their volunteer experience back to their local communities.



Our specially designed 10th Anniversary logo was used in all VSO Ireland publications throughout the year.



VSO photo exhibition



Ruth and Ann Heery



Lorraine McRory and John Rogers



VSO Executive Director
Malcolm Quigley

Education

Every child deserves an education. VSO volunteers work to ensure that no matter who they are, or what circumstances they live in, every child has equal access to a brighter future through quality education services. According to a 2013 UNESCO report, in 2012, about 30 million children in sub-Saharan Africa were out of school and about one third of those who have never entered primary school are children with disabilities. More and more primary school age children are attending school than ever before but there is still a significant number without access to education.

This year, Irish volunteers have contributed to VSO's education programmes in eight countries through placements that focus on teacher training, peer training, strengthening the work of school management committees and parent teacher associations, inclusive education, use of technology, education management, and leadership in schools.

Evaluating and improving the quality of education, Uganda

VSO Ireland has built a reputation as a provider of skilled, dedicated education volunteers to our partner organisations. Almost half of all Irish volunteers who served overseas in 2014/15 were education professionals.

In 2014, we began work on a new partnership with Irish Aid to evaluate and improve the quality of education in Uganda.

The Ugandan government has made great strides in improving both school attendance and education quality at primary level. However, in the Karamoja region in north east Uganda, with a semi-nomadic lifestyle and food insecurity keeping most children out of school, the quality of education is often poor.

With the support of Irish Aid, VSO volunteers in Karamoja are working to improve learning outcomes at 20 schools through strengthening school inspection, teaching and management. This work is being carried out in partnership with the Ministry of Education and Sports, UNICEF, and two local organisations: Co-ordinating Centre Tutors and Deputy Principals for Outreach.

Improving the quality of teaching and learning in primary schools, with a particular focus on literacy and numeracy, and increasing community participation in school development and girls' education keeps children in school and encourages more to attend. Additionally, to monitor this work and

drive through further improvements, our volunteers are working with the schools to provide better school inspection processes and supports to teachers. This improves planning and self-evaluation of performance in schools and increasing community participation in school planning and development.

To date, over 300 local teachers in 20 targeted primary schools have been trained in school leadership and management with a focus on new teaching and learning methodologies. Head teachers, teachers, School Management Committees and Parent Teacher Associations have been trained in whole school planning. We have produced over 500 sets of inspection guidelines and distributed them to teachers and education practitioners in the Karamoja region.

Through direct support to their teachers, over 13,000 children in these 20 schools now have access to improved teaching and learning.

In March, The Irish National Teachers' Organisation Solidarity Fund supported this work by providing additional funds to ensure that teachers in the 20 targeted primary schools in Karamoja are supported to develop strategies and tools for teaching in overcrowded and under-resourced classrooms.

Case Study – Improving the quality of teaching in Rwanda

VSO has worked in partnership with the Rwandan government for the past 15 years to help rebuild a teaching profession that was decimated by the 1994 genocide, to train teachers and to improve the quality of education.

Rwandan children are often taught in huge classes of up to 80 pupils. This, coupled with school days taking place in two shifts, makes a difficult job even more demanding. With large numbers of unqualified and inexperienced teaching professionals, many teachers are falling back on the old fashioned 'chalk and talk' method that was used when they were in school.

Irish volunteers Michelle Dully, Lisa McMahon and Bebhinn Murray went to Rwanda as teaching methodology advisors in 2014, and have introduced hundreds of teachers to more interactive, learner-centred approaches and encouraged their use in the classroom. They also worked with other volunteers at district and national level to improve the quality of teaching across the district in which they were based. The three volunteers delivered training workshops which were then followed up with personalised visits to the classroom. These one-on-one visits enabled the volunteers and the local teachers to learn together and identify best practice for the local context.

After a year in her placement, Michelle reported, 'Now when I visit classrooms I see that the teachers are engaging the learners in their lessons and the children are participating in games and activities. The children have more opportunity to speak. By training the teachers, I'm ensuring that the children will receive better quality education after I leave. This is what makes it more sustainable development.'

In summer 2014, we led a story-gathering visit to Rwanda to capture the stories of these volunteers. To learn more, go to youtube.com/VSOIreland.



Alexis Ufitimana, Deputy Head of Studies, is advised and trained by volunteer Bebhinn Ní Mhuirí from Warrenpoint, Co. Down. Bebhinn worked as a Teaching Methodology Advisor in Rwamagana District in Rwanda.



Michelle Dully and Julia Muchocho train teachers in Inclusive Educational Practises. Michelle volunteered as a Teaching Methodology Advisor in Rwanda, supporting 15 schools spanning three sectors.

Health

Imagine not being able to access adequate basic healthcare when you need it. It is unacceptable that millions of people face this situation every day. VSO designs programmes to enable our volunteers to work with the most disadvantaged people to improve access to physical, mental and social health care.

In 2014/15, our volunteers and partner organisations worked towards ensuring that health services are accessible to everyone, addressing issues of service supply and community demand for quality care. Irish volunteers focused their energies on maternal, neonatal and child health, sexual and reproductive health, as well as HIV and AIDS. Our volunteers trained and mentored local staff, improved hospital management and led a research project which was instrumental in diversifying our volunteer placements. The research we conducted on short-term skilled volunteering informed placements in Tanzania and Ethiopia where VSO Ireland medical professionals committed to a series of short-term placements with the same partner organisation.

Maternal, neonatal and child health, Ethiopia

The Irish Aid funded pilot health programme in Ethiopia works through volunteers to improve the quality of maternal, neonatal and child health in two regions – Tigray and the Southern Nations, Nationalities and Peoples Region (SNNPR).

Our volunteers have worked in 11 partner hospitals, two regional health bureaus and two umbrella civil society organisations bringing skills and experience in health, management information, administration, and organisation development. This year, the pilot project moved out of the initial start-up phase and there was a significant escalation in the work between VSO Ireland volunteers and their partner organisations in both regions.

The role of the volunteers in this programme is multi-dimensional – on one hand they work directly with clinicians and health managers to improve the standard of care that is available to patients while on the other, they work with and support local NGOs to raise awareness of these services and increase participation.

Our approach is structured but flexible. It is when our volunteers and their counterparts merge local knowledge and expertise with outside knowledge and skills that new, locally appropriate and sustainable solutions are created to address the needs of a partner organisation and the community

it serves. In Axum Hospital, Tigray, the volunteers focused on building staff capacity to manage obstetric emergencies whereas in Arbaminch, SNNPR, volunteers identified a need and developed a comprehensive one-day obstetric ultrasound course.

As the financial year drew to a close, the first of six new Neonatal Intensive Care Units was opened, and three more are on track to be completed in July 2015. Combining these new Neonatal Intensive Care Units with dedicated staff who have benefited from research, training and knowledge gathering activities carried out by our volunteers is making significant steps in reducing child mortality in these hospitals.

Case Study

Tanzania has the potential to become a thriving middle-income nation and a regional trading hub in the near future. Despite this, the percentage of people living in poverty has decreased only marginally over the past 10 years, and rapid population growth has increased the number of Tanzanians living in poverty by more than a million, overwhelming an already fragile social service system.

VSO's health programme in Tanzania focuses on both improving access to and the quality of health services. We do this by training medical and non-medical health staff by and improving systems, processes and standards at national level.

Dr. Michael Donovan has been consultant physician in general internal medicine in the Midland Regional Hospital in Mullingar since 1987. In 2013 Michael joined an innovative VSO project at St. Francis Referral Hospital in Ifakara, Tanzania. Through this project, Michael travels to Ifakara along with 14 other medical professionals for three-week placements every four months over a three year period. These short-term repeat volunteers work with long-term volunteers and a local project manager to train and mentor local student doctors and doctors in training to develop their skill sets. This ultimately improves the standard of care provided to patients in the hospital and the wider region. In addition to training and mentoring, Michael provides specialist consultant-level care to critically ill patients.



Michael O'Donovan, an internal medical specialist from Mullingar, Co. Westmeath on a morning ward round at St. Francis Referral Hospital, Tanzania.



Cots for babies in one of the Neonatal Intensive Care Units (NICUs) that have been set up as part of VSO Ethiopia's NICU programme. VSO volunteers are training local staff to support the specific needs of a baby in the first 28 days of life.

Participation and governance

If poverty is to be eradicated, the voices of the poorest and most marginalised people must be heard by decision-makers and allowed to influence public policy.

VSO volunteers work with disadvantaged groups so that they understand their rights and have a greater say in the decisions that affect their lives. They also work with public bodies to make them more transparent and accountable to the communities they serve.

VSO Ireland is a leading voice in advocating for the recognition of volunteerism at UN level, and in October 2014 we were appointed as Chair of the Post-2015 Volunteering Working Group. As a result of this advocacy work, in December 2014 volunteerism was recognised by the UN Secretary General as a ‘powerful and cross-cutting means of implementation’ for the Sustainable Development Goals.

Women in Power is VSO’s call to increase women’s participation and influence in political and public decision-making. Women continue to be marginalised within decision-making institutions and processes across the world, from the local to the international level. In April 2014 VSO Ireland launched Women in Power: beyond access to influence in a post-2015 world, hosting a sector wide event along with Trócaire, the National Women’s Council, Liberia’s Sustainable Development Institution and Senator Ivana Bacik.



Fiona O’Donnell from Co. Wicklow celebrates International Women’s Day with colleagues at the Gender and Development Association in Vientiane, Laos. Fiona volunteered with the association as a Programme Development and Funding Advisor.

Northern Province Governance, Zambia

VSO is supported by Irish Aid to assist the Government of Zambia to deliver improved public services. We have placed four advisors within the Ministry of Local Government and Housing (MLGH) at the provincial office in Kasama, Northern Province to support skills building in five of the province’s ten district councils. The advisors are enhancing skills capacity in four key council functions: monitoring and evaluation (M&E), financial management, physical planning, and social economic planning. Working in consultation with a counterpart at each district council, the VSO advisors are guiding the development and revision of frameworks for the development of implementable district-wide socio-economic development plans, physical and land use systems, M&E systems and transparent public finance management systems.

Our volunteers are improving transparency and accountability in the management of public sector resources at the provincial and district levels, improving socio-economic planning and co-ordination mechanisms, increasing evidence-based decision-making by staff at the local and provincial levels and improving special planning and land use management at the local and provincial levels.

Budgeting, finance and revenue collection have all been improved through financial training and support for improved coordination amongst the Council departments. Councils are now submitting realistic budgets and increasing their revenue, for example through the collection of both taxi fees and property rates that previously went uncollected. For the first time, all five VSO supported districts submitted their planning reports – the only ones in the Northern Province to do so. Additionally these five districts also received training in a Geographic Information System, allowing them to accurately plot real estate demarcations and issue property licences which will go on to increase their revenue by charging fees for these properties.

Case study

Martina Ryan Doyle, an accountant from County Limerick, has been volunteering since December 2014 in the Northern Province of Zambia to support a decentralisation process which will ultimately transfer government responsibilities from national to district level. Martina is one of four volunteers on an Irish Aid funded programme to help strengthen the governance capacity of local authorities in preparation to take on these responsibilities. Similar to County Councils in Ireland, these District Councils are the most accessible form of government to people in the local community. With so many people accessing basic services at this level, how they function has a real and immediate impact on the day to day lives of people.

The aim of this project is to strengthen the capacity of the council to deliver quality services. Martina’s area of responsibility is financial management, and she works with local finance professionals at a district level to strengthen the development of and adherence to financial practices in the council, and to ensure a disciplined management of financial resources. Working with local counterparts, Martina established priorities for sustainable revenue growth, training revenue collectors and councillors and reviewing operational processes for efficiency and effectiveness improvements. As with all VSO volunteers, Martina’s role is not to do the work of her counterparts or tell them what to do, but to work with them in an advisory capacity sharing both her and the counterpart’s skills, knowledge and experience. By taking this approach, Martina’s ultimate goal is sustainability – creating a strong foundation for the work to continue long after she has left Zambia.

Secure livelihoods

Our world is rich enough for everyone to live free from poverty but too many people lack the basic building blocks needed to support themselves and their families. VSO volunteers are working to challenge inequality by building people’s ability to make a living, and helping them to overcome the constraints that keep them poor.

Our approach to secure livelihoods is to work with communities, partner organisations and individuals to enhance their understanding of the economic environment, with a particular focus on supporting agricultural value chains, market-led youth employment and rural enterprise development.

In the last year VSO Ireland has built and strengthened our links with Irish organisations that bring knowledge and funding to support this work, including trusts, foundations and corporate partners whose approach to livelihoods align with our own. We have developed and supported projects that bring together these Irish organisations, local partner organisations in Africa and Asia and VSO volunteers to support our work.

Sustaining Livelihoods through Beekeeping in Marracuene

Last year, Electric Aid supported VSO Ireland’s work with farmers’ associations in Mozambique to encourage beekeeping. Mozambique is one of the world’s poorest countries, and although it is seeing economic growth, the opportunities for rural communities to improve their incomes and standards of living are few.

Matafome and Amigo de Painde are two farmer associations located in Bobole. The farmers who are part of these associations, many of whom are women, rely for the most part on rain-fed subsistence agriculture, and many live below the national poverty line of \$1 per day. Frequently, the rains in Bobole do not come when expected, so some farmers have begun to keep honeybees as a way of diversifying their income. This has been done on a small scale, using traditional bark hives and the honey they produce is sold locally, bringing in a much needed source of additional income to the household.

A VSO volunteer has been working with farmers’ associations to help 35 farmers, of whom 23 are women, to improve their

beekeeping techniques and to make beekeeping into a sustainable and viable income source. Twenty beehives were sourced and are in use, but more hives and equipment were needed to make the process viable. Electric Aid supported VSO Ireland to scale up the project and to train the beekeepers to extract beeswax from the combs. The wax can be sold to create a further income source for the beneficiaries and their households.

We are grateful to the Irish corporate partners, trusts and foundations that have supported our livelihoods work in the last year. We have seen the continued support of a micro hydro programme in Mozambique funded by Irish-based software infrastructure company Bentley. This project will enable over 18,000 people to access electricity for the first time.

Projects supported by Irish trusts and foundations include training mangrove farmers in Mozambique; providing fuel efficient stoves to rural communities in Mozambique; creating a volunteer support programme for flood risk regions in the Philippines; and strengthening the educational system in Uganda. The team has solidified partnerships with trusts and foundations by carrying out ongoing monitoring and evaluation and providing donors with detailed reports on each of the projects supported.

Case study

Jayne Staunton from Claremorris in County Mayo took on a unique placement in Gulu in Northern Uganda, working with two very different partner organisations – the Community Service Programme (CSP) Office and District Youth Councils.

Jayne’s work with the Community Service Programme Office focused on assisting regional staff with the recruitment, induction and ongoing training of national volunteers. These volunteers worked closely with CSP staff in the administration and supervision of community service orders, which were given to minor offenders who showed remorse, therefore keeping them out of overcrowded jails and improving their chances of employment at the end of their sentences.

Jayne supported CSP staff in the recruitment and training of national volunteers which covered 10 regions. In addition, existing volunteers were invited to participate in ongoing training. These volunteers are now responsible for organising meaningful community service placements for offenders, including working on public roads, in schools, hospitals and health centres. The volunteers work with the offenders’ supervisors to monitor their work, provide reports to both magistrates and the community service regional office. They liaise with probation services, magistrates, prison and police officers. The community service volunteers gain skills and experience that contribute to their own career advancement. They also receive training in business and enterprise skills as well as career guidance to support their future endeavours.

The other half of Jayne’s work was with the District Youth Council Gulu. Working with placement hosts made up of local community based organisation and NGOs, a volunteer was recruited for each host to carry out a variety of roles. Jayne supported the placement hosts in the recruitment, induction and ongoing training of the volunteers, supporting these young graduates to gain valuable employment, entrepreneurship and enterprise skills that will lead to a job or self employment. Both the CSP and the District Youth Council were also provided with information and training on managing, supporting and supervising volunteers. This work has fostered a spirit of volunteerism in Gulu.



VSO Uganda national volunteer Fred Kasozi, a Livelihood Advisor, helps the remote disabled community of Shori village to collect honey from beehives.

Partnerships

Our approach to development is based on the idea of partnership – with local partner organisations who host our volunteers and with the local counterparts who work alongside them. VSO Ireland also adopts a partnership approach to our work with donors, campaigners, unions and professional bodies here in Ireland.

VSO Ireland is a member of Dóchas, the Irish Association of Non-Governmental Development Organisations. We are signatories of the Code of Conduct on Images and Messages and in 2014 fulfilled all nine criteria for the Code, ensuring that all communications about our partners and primary actors are conducted in a respectful and ethical manner.

VSO Ireland is also a member of Comhlámh, a membership and supporter organisation for volunteers and development workers. We continue to be a committed signatory to the Comhlámh Code of Good Practice for volunteer sending agencies. In December 2014 VSO Ireland was awarded the ‘Core Indicators Award 2014’ scoring highly across the board.

Campaigns

In 2014, VSO Ireland was appointed Chair of the Post-2015 Volunteering Working Group, a global coalition of organisations that work through volunteers. The Post-2015 agenda is a new global framework that will set the direction of international development between 2016 and 2030. The working group advocates for the support and recognition of volunteering in the Post-2015 agenda. VSO Ireland also joined the Irish coalition of Beyond2015, a global group of over 1000 civil society organisations campaigning for a global development framework to follow the Millennium Development Goals. VSO Ireland is also a representative for volunteer groups at the UN. **VSO Ireland and a Ugandan VSO volunteer working in Mozambique spoke about the role of volunteering in development on behalf of Volunteer Groups at the UN General Assembly in February 2015.**

Additionally VSO Ireland is an active member of the Irish Coalition of the Global Campaign for Education, which promotes the Education for All Goals, and of Act Now on 2015, a coalition of Irish organisations that works to ensure that our government honours its commitments on overseas aid.

Corporate

VSO Ireland strengthened its engagement with the corporate sector in the past year by implementing our corporate partnership strategy, CSR at Scale. Under this new strategy, VSO engages with companies that are focused on changing lives in low income countries. Taking a shared value approach, we target organisations that have a presence in the low income countries, or that have a skill set or area of interest that VSO is currently supporting, for example the dairy industry.

VSO is also an active participant in bringing Corporate Social Responsibility to the fore with large Irish organisations and encouraging engagement on both a business and staff level. We held a networking event at the British Ambassador’s residence in October 2014 that was attended by leaders from the agri-business, pharmaceutical, energy and extractive sectors.

Trusts and Foundations

Funding received by VSO Ireland from Irish trusts and foundations has changed the lives of marginalised people in the Philippines, Zimbabwe, Mozambique, and Uganda in the past year. VSO Ireland is extremely grateful to Electric Aid, the Bishops Appeal, the Allergan International Foundation, Dublin City Council, and the INTO Solidarity Fund for their generous and continued support.

Events

VSO Ireland’s annual fashion lunch *Chic at the Shelbourne* continues to grow in popularity every year. We were delighted to partner with Hays Recruitment as a title sponsor again this year. *Chic* is a unique opportunity to share the work of VSO in a social setting, and this signature event also raises vital funds for our development programmes. We are grateful to our named fashion partner, The Kilkenny Shop, for their continued support.

Donor Engagement

VSO Ireland’s Individual Giving programme links monthly donors with VSO Ireland volunteers in the field. As part of the ongoing engagement with our donors, we launched *Changemakers* newsletter, a bi-annual magazine packed with stories of Irish volunteers and their work with VSO partners. Distributed to over 3,500 donors, *Changemakers* brings to life the difference VSO volunteers make on the ground and the personal experience of our volunteers.

Structure, governance and management

Structure, governance, management and risk management

Our Structure

VSO Ireland is a limited company by guarantee and all of the trustees are also full directors of VSO Ireland for company law purposes. The company is registered in Ireland as a charity (Charity Number CHY 15048). Its governing document is the VSO Memorandum and Articles of Association, a copy of which can be found on the VSO Ireland website.

Our Governance

VSO Ireland is proud to operate as part of the global VSO Federation, an international network of development organisations, who share a common vision of a world without poverty, in which people work together to fight poverty. Each VSO federation member is a self-governing not-for-profit legal entity. The global VSO federation is currently undergoing a strategic review. The organisational model is being improved to ensure sustainability and effectiveness across programmes and operations. These improvements will allow VSO Ireland to grow its independence and become more involved in programme quality and delivery. Work is currently underway to improve lines of accountability across our regional teams to increase focus and support on programme delivery.

The governing body for VSO Ireland Limited is the Board of Directors, who are the legal directors and members of the organisation, currently comprising eight Directors and one co-opted Director. At the last AGM in October 2014, three Directors came to the end of their term and four new Directors were appointed. Since the AGM, one additional Director has been co-opted to the Board. All Directors serve for an initial period of three years, with an option for a further extension of three years. Directors are recruited from diverse professional backgrounds and bring a range of experience and skills to the organisation. They serve on a voluntary basis and are reimbursed only for out-of-pocket expenses.

VSO Ireland’s Board of Directors is responsible for approving and monitoring VSO Ireland’s long-term strategy and the achievement of its annual corporate objectives through efficient budget management, approval of any constitutional changes, and the appointment of new Directors and the Executive Director. All Directors are provided with a comprehensive induction programme and continuing engagement throughout their term of office, through regular updates from the Executive Director, links with the management team, membership of relevant board sub-committees and participation as expert advisors to ad-hoc organisational working groups. The board meets at least five times per year, and has received formal board training from The Wheel. Each meeting has standing items on the agenda and incorporates detailed de-briefing on elements of our core activities to ensure

Directors gain proper insights into VSO Ireland’s work.

The Board is committed to ensuring VSO Ireland employs best-practice standards of corporate governance in line with the recommendations in the Irish Development NGOs Code of Corporate Governance. It is in the process of working towards adopting the Code of Practice for Good Governance for the Community, Voluntary and Charity Organisations in Ireland. VSO Ireland adheres to a number of relevant best practices and standards and is compliant with the International VSO Criminal Practices and Whistleblowing Policy, the Dóchas Code of Conduct on Images and Messages, a signatory of the Comhlámh Code of Good Practice for Volunteer Sending Agencies, and provides training on the appropriate use of images and messages to outgoing volunteers. VSO Ireland continues its membership of Fundraising Ireland, is compliant with the Irish Charity Tax Reform Group’s Guiding Principles for Fundraising and adheres to the Data Protection Acts 1988 and 2003. VSO Ireland prepares its Financial Statements in accordance with the requirements of Accounting and Reporting by Charities, Statement of Recommended Practice (SORP 2005) and is fully committed to incorporating the new SORP when applicable, in line with the new Company Acts 2014. VSO Ireland welcomes the appointment of the Charity Regulator and is fully committed to ensuring that the organisation is compliant.

Board sub-committees

During the year 2013/14, the Board had two formal sub-committees:
Audit, Risk and Remuneration Committee: responsible for assessing the effectiveness of operational and financial risk management and internal controls including recommending remuneration;
Programme Committee: responsible for the oversight of programme strategy and to oversee, guide, advise and evaluate VSO Ireland’s fundraising efforts;
Strategic review Committee (temporary): responsible for providing guidance to VSO Ireland on the process of reviewing the current strategic plan and report back to the Board on same as well as overseeing, guiding, advising and evaluating VSO Ireland’s new strategic objectives and priorities.

Management

The Board delegates day to day management of VSO Ireland to the Executive Director and the management team. The team members have responsibilities that reflect the scale and scope of VSO Ireland’s work, including finance, human resources and organisational development. The management team meets every two weeks to develop and implement strategy, allocate resources, set and monitor standards and determine core approaches to how we work, including the engagement and development of employees. VSO Ireland’s development, operational and financial objectives are monitored and reviewed through a quarterly review process in collaboration with VSO’s global leadership team and the

broader organisation, VSO International.

In September 2014, Malcolm Quigley, Executive Director of VSO Ireland left VSO Ireland and took up the position of Interim Country Director with VSO Mozambique on behalf of VSO International. From September 2014 to January 2015 VSO Ireland was under the guidance of interim Executive Director, Geralyn Thompson. In January 2015, Megan Munsell was appointed Executive Director, and brings to the team a wealth of communications, marketing, fundraising and charity management experience gained in both the non-profit and commercial sectors.

Public benefit

We developed our strategy and corporate business plan to advance our charitable objectives, while ensuring we provide public benefit.

‘VSO’s vision is a world without poverty and our mission is to bring people together to fight poverty’

VSO volunteers contribute to VSO programmes in health, education, participation and governance and secure livelihoods. VSO volunteers live and work alongside their colleagues and beneficiaries, and gain a valuable perspective on the lives of the world’s poorest people and what can be done to support them to fight poverty more effectively. This report shows how our organisation operates for the public benefit by detailing our objectives, activities, achievements and performance.

Risk management

The senior management team identifies the key risks facing VSO Ireland. These key risks are documented in a risk register and which is discussed with the Audit, Risk and Remuneration Committee and the Board of Directors. The risk register is updated to reflect recent operational and financial developments, strategic annual organisational objectives and changes in the external environment. Each risk item is analysed according to its perceived potential impact and likelihood of occurrence, together with actions that either have been or will be taken in mitigation. The risk register is reviewed twice a year and amended, and actions taken accordingly. The updated risk register then forms part of our annual reporting requirements to VSO International.

The Directors are satisfied that there are procedures in place commensurate with the size of the key risks and other identified risks to prevent or manage their effects. These procedures include active implementation of control systems and processes, the transfer of risk to external insurers and the acceptance of risks that cannot be avoided. Where appropriate, financial provision through reserves, are set aside in case of adverse events in the future.

It is important to note that VSO International manages and makes

provision for the risk of the country and volunteer programmes and for the central support functions including security for volunteers. It also manages the large-scale risks affecting all parts of VSO. Globally, VSO has a security policy which aims to inform staff and other parties connected with VSO about the organisation’s approach to managing security so that they can take an active role in reducing risk in their work and daily lives. The Organisational Safety and Security Plan shows how VSO operates the policy. Separate security plans are developed for each country in which VSO works. VSO Ireland commits to review the voluntary Irish Aid Guidelines for NGO Professional Safety and Security Risk Management with VSO’s international head of security during 2014. Country office and programme level risk registers are maintained by all Country Offices who report to VSO International quarterly. The global internal audit plan is based on, and consistent with, the identified risk. The global audit and risk committee monitors the implementation of the internal audit plan.

The risk management process has resulted in a high priority being placed on the risks that:

- VSO Ireland is unable to meet restricted and unrestricted income targets;
- VSO Ireland is unable to demonstrate its positive contribution to development due to changing volunteering requirements by overseas programmes and skill sets available by potential volunteers in Ireland;
- Changes or disturbances occurring at Country Office level that results in a failure to deliver programmes as per programme design and donor contract.

Globally, VSO has undergone a rigorous corporate planning process and furthered its roll out of strategic change programmes which help to ensure that VSO has quality programmes, support services, and is the right shape and size going forward.

VSO continues to put significant emphasis on improving its economy and efficiency, as well as better understanding and articulating its effectiveness. Key to this has been the Programme Management Review. This project reviewed the structure, resource levels, location and skills required in Country Offices and programme management, to ensure that the right type, level and cost of resources are deployed. As part of this project we have increased capacity in a number of key support functions such as IT and people management, at both Country Office and regional level to allow programme managers, Country Directors and Regional Directors to focus on developing our programmes and improving technical expertise across thematic areas.

VSO demonstrates three elements of value for money, through the following:

- **Economy:** robust procurement, budget management internal & external audit processes;
- **Efficiency:** the use of volunteers to contribute to poverty reduction and sustainable positive change;

Financial Review

- **Effectiveness:** monitoring and evaluation activities both in-country and centrally.

Basis of preparation of Financial Statements

Voluntary Service Overseas (Ireland) Ltd is constituted under Irish company law as a company limited by guarantee and is a registered charity. In prior years, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity.

The Companies Act 2014 became effective in law on 1 June 2015 and from that applies the format and contents of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as Voluntary Service Overseas (Ireland) Ltd. Consequently, in order to remain compliant with current legislation, Voluntary Service Overseas (Ireland) Ltd has prepared its financial statements under Irish GAAP and the 2014 Companies Act.

Income

Total incoming resources for the year totalled €2,665,902, which is an increase of €36,306 (1.4%) on the previous year (2014: €2,629,596). The fundraising investment received from VSO International of €538,111 was an increase of €103,955 (24%) on the previous year (2014: €434,156).

VSO Ireland received funding from Department of Foreign Affairs and Trade (Irish Aid) who continued to support programmes in three priority countries: Ethiopia (maternal and neo-natal healthcare), Uganda (teacher training & inspection) and Zambia (local government effectiveness and planning). The total value of this agreement is in excess of €1 million over two years, with €681,672 received during 2014 for the period of September 2014 to August 2014. Income of €460,339 is recognised in the current year with €221,333 deferred until expended in future accounting periods. Irish Aid funding represents 23.61% of VSO Ireland’s total income for 2014/15 up 11.15% in 2013/14. VSO Ireland is appreciative of Irish Aid for its continued support.

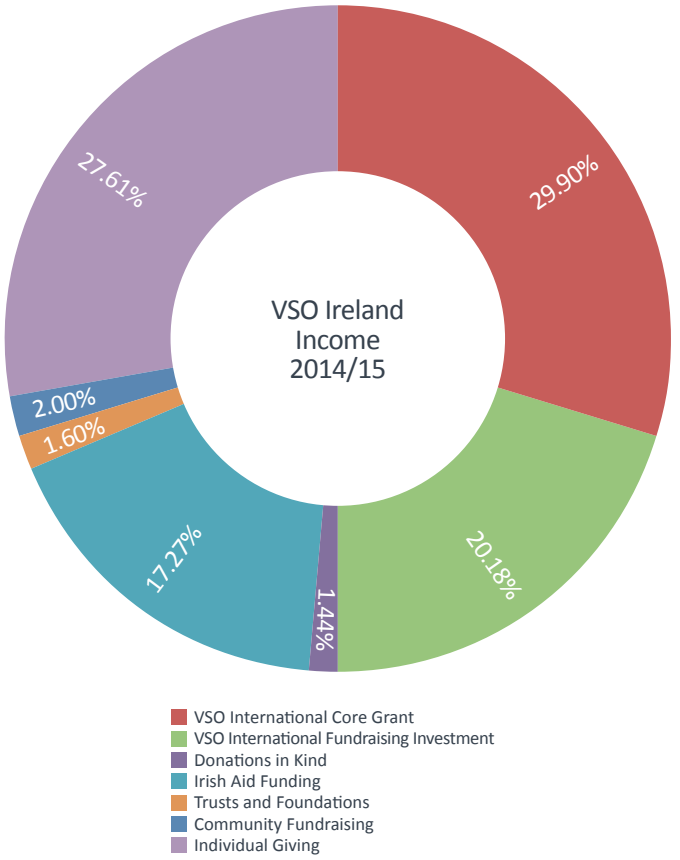
From 2010/11, through VSO’s global income growth programme, VSO Ireland embarked on a programme of increased investment in fundraising. VSO Ireland continues to focus on two investment programmes;

- Regular giving from individuals will result in income over future years. Income from regular giving for the year totalled €736,000, a decrease of 10.667% on the previous year (2014: €824,000) . This represents 27.6% of VSO Ireland’s total income for 2014/15 down from 29.8% in 2013/14. VSO Ireland and our overseas volunteers would especially like to thank these donors for their continued support.

- The corporate investment programme strategy focuses on VSO’s areas of work that are best suited to a corporate CSR plan. VSO continued to engage with companies to build an active pipeline to achieve future partnership success. Bentley, a global engineering infrastructure software firm, partnered with VSO to create a micro hydro electric power project in Mozambique, which will be completed in 2015. The project will enable 18,000 people in rural Mozambique to have access to electricity for the first time. Bentley has made a commitment to donate €65,000 to this work over two years, of which €13,593 was received in 2014/15.

Income from trusts and foundations received during the year totalled €29,132 (2014: €50,233). We are extremely grateful for the support of organisations including Bishops Appeal, ElectricAid and Dublin City Council. Projects supported by Irish trusts and foundations include training mangrove farmers in Mozambique, providing fuel efficient stoves to rural communities in Mozambique, creating a volunteer support programme for flood risk regions in the Philippines, and strengthening the educational system in Uganda. The team has solidified partnerships with trusts and foundations by carrying out ongoing monitoring and evaluation and providing donors with detailed reports on each of the projects supported.

VSO Ireland is also in receipt of donation/services in kind totalling €38,361 (2014: €89,276). The matched costs in relation to these donations/services in kind are included under expenditure. We



would like to thank the companies that supported VSO through donating their services or giving discounts including Google, Event Junkies, Hays and AIB.

Expenditure

In accordance with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005), charitable expenditure is presented in accordance with VSO Ireland’s cost of generating funds, charitable activities and donations in kind. This has been achieved through the direct allocation of costs to activities undertaken, together with the indirect allocation of costs where they cannot be directly attributed to a single charitable activity.

The charity spent €1,820,073 on charitable activities , amounting to 71% of our total expenditure including the large fundraising investment. If we exclude the cost of the fundraising investment of €538,111, which is funded through the investment grant from VSO International, the amount spent charitable activities is 90% of total expenditure.

This year we have seen some changes in the expenditure levels of our charitable activities to that of the previous years:

- Costs to support our volunteers from application through to post placement has decreased by 29% as a direct result of streamlining the volunteering processes and a member of staff focusing on a strategic review;
- Programme learning and advocacy costs increased due to the employment of a full time staff member to expand the capacity of VSO Ireland in research and advocacy in order to further VSO’s advocacy aims in Ireland and to contribute to the policy and advocacy aims of VSO internationally;
- Programme management and administration has increased by 57% due to the focus by the organisation to increase VSO Ireland’s programme accountability;
- Overseas programme costs has increased due to the 2nd year of the Irish Aid programme covering a 12 month period compared to a four month period in 2013/14.

We have continued to adopt a more focused approach with regard to the cost of generating funds. On the face of the accounts the cost of generating funds is shown between :

• Voluntary income	€27,397	(-30%)
• Investment in fundraising	€549,291	(+53%)

The investment in fundraising is fully funded by VSO International by means of a grant shown separately in the income section. Much of this investment has been directed towards growing income from regular giving, the results of which should be apparent in future years. The regular giving campaigns’ expected return of investment is based around a five year programme. The investment was not fully utilised in 2014/15 with the under-spend to be deployed in future years.

Governance costs show a decrease of 34%. This is as a result of the

strategic change programme which has resulted in efficiencies by ensuring that VSO Ireland is the right shape and size going forward.

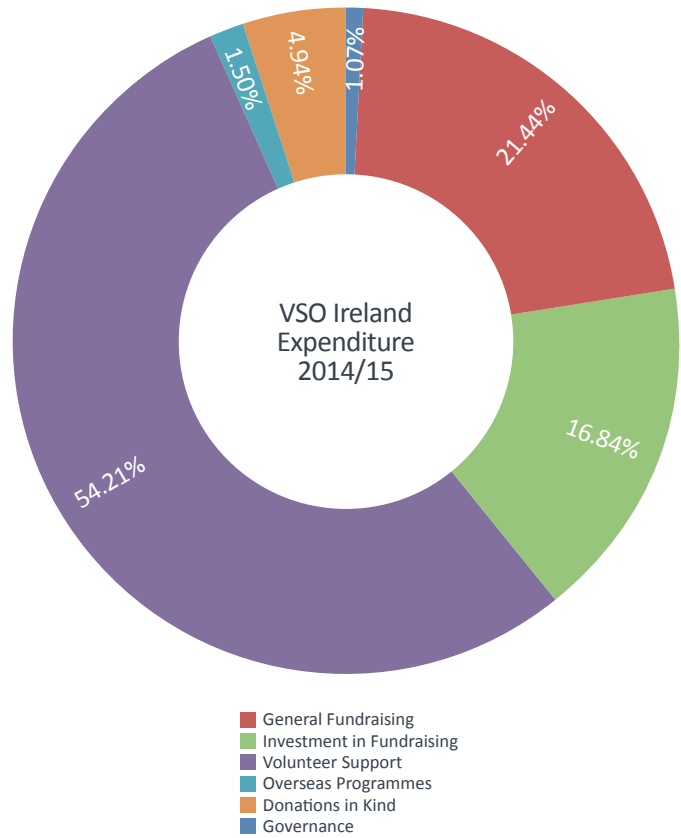
Funds held

Total funds carried forward at 31 March 2015 amounted to €1,121,597 of which €423,944 were restricted funds. Unrestricted funds increased from €593,170 to €697,653.

The restricted income fund represents income, which has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions. The restricted reserves held at 31 March 2015 will be spent in 2014/15 in line with conditions set by donors.

The unrestricted income fund (general fund) represents amounts which are expendable at the discretion of the organisation in furtherance of the objects of the charity. The increase in this general fund was a result of:

- Savings and under-spends on the grant income received from VSO International to operate the organisation’s objectives;
- Under-spend in the investment in fundraising which will be deployed in future years.



Reserves policy

The reserves policy covers the level of free reserves that would be immediately available for activities within VSO Ireland’s overall purpose and would be appropriate for the charity to hold on a continuing basis. The policy also sets out the actions that trustees expect to take to maintain reserves at an appropriate level; the trustees review this level periodically.

VSO Ireland holds reserves for the following purposes:

- to allow for uncontrollable fluctuations in income and expenditure, and for unbudgeted essential expenditure, without disproportionate disruption to operations
- to absorb setbacks and the (adverse) effects of large scale external events
- to take advantage of unbudgeted opportunities which cannot effectively be planned in future financial periods

For the purposes of assessing funds required, reserves are considered to have three elements:

- The operational reserve creates a “buffer” against volatility in income and uncontrollable fluctuations in expenditure, providing the necessary cash flow to ensure that such fluctuations do not disproportionately affect VSO’s operations
- The serious curtailment reserve is intended to fund VSO during a period of structural adjustment in response to an external shock. Elements of this reserve are calculated and managed centrally to allow VSO to benefit from “risk pooling”
- The strategic opportunities reserve provides VSO with the flexibility to take up unbudgeted opportunities that cannot effectively be planned in a coming financial period

The funding needs for the operational and serious curtailment reserves are estimated by an assessment of risks which builds on the current risk register. The assessment also takes input from senior VSO managers with the necessary detailed operating knowledge of the risks, and the historical perspective on risks that have materialised in the past.

VSO Ireland, as a federation member adopts the International reserves policy. VSO Ireland manages their own general reserves for operational risks, any large-scale risks arising out of their specific local operating environment, and local strategic opportunities. VSO International manages the operational, serious curtailment and strategic opportunity reserve of the Country and Volunteer Programmes and for the central support functions. It also manages the consolidated serious curtailment reserve against large-scale risks affecting all parts of VSO. All elements of the reserves held by VSO (operating as VSO International and VSO UK) are combined and reported as a single Federation reserve in the report and accounts of VSO.

At the last review in March 2015, it was agreed that the appropriate level of reserves for VSO Ireland be set at €651,365. This increase is related to the operational reserve and incorporates an amount for both a shortfall in fundraising income and project funding. The excess of €46,288 has been allocated for expenditure in 2015/16 and includes an office move due to expiry of the existing lease. It is important to reiterate that reserves required for country and volunteer programmes and for the central support functions including security for volunteers are held and managed by VSO International.

VSO (operating as VSO International and VSO UK) holds a free reserve of £5.5 million, with an agreed target level of £7.5 million. This was considered appropriate to address what will be needed over the coming years. When adding their fixed asset reserve, which is depreciated over 3 to 10 years, the reserves stand at £7.2 million. Looking ahead to 2015/16, SORP 2015 will require the recognition of a liability for any additional repayment plans agreed in relation to deficits on multi-employer pension plans, which are accounted for as defined contribution schemes. VSO currently has an agreed deficit reduction payment plan with a present value of £2.8 million; this will have the effect of reducing the general reserve from £5.5 million to £2.7 million. As previously mentioned, VSO has initiated a transformational change programme to ensure that resources are efficiently deployed as close as possible to our development programmes. A consequence of this change programme will be to increase VSO reserves towards the target level of £7.5 million. The VSO trustees will continue to evaluate the required reserve levels as we proceed through 2015/2016.

Reference and Administrative Details

Charity name: Voluntary Service Overseas (Ireland) Limited
Charity registration: CHY 15048
Company registration: 351799
Registered office: 13-17 Dawson Street, Dublin 2

Board of Trustees (as at 31 March 2015)

Iarla Mongey (Chairperson)
Olive Fives
Gerard Murphy
Wendy Osborne OBE
Richard Lundon (appointed 4 September 2014)
Eileen Sheehan (appointed 4 September 2014)
Jane Meehan (appointed 4 September 2014)
Hazel Chu (appointed 4 September 2014)
Daire O’Criadáin (co-opted director)

Senior Management Team (as at 31 March 2015)

Megan Munsell Executive Director
Sinead Lee Head of Support Services
Deirdre Finlay Head of Volunteering and Corporate Performance
Geralyn Thompson Head of Business Development

International Federation Members

VSO works within an international federation of member organisations together with three independent members:
- VSO operating as both VSO international and VSO UK (www.vso.org.uk)
- VSO Jitolee in Kenya (www.vsojitolee.org)
- VSO Netherlands in the Netherlands (www.vso.nl)
- VSO Bahaginan in the Philippines (www.vsobahaginan.org.ph)

Statement of Directors’ Responsibilities

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 affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Act 2014. 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.

Independent Auditor’s Report to the Members of Voluntary Service Overseas (Ireland) Limited.

(A company Limited by Guarantee and Not Having a Share Capital)

We have audited the financial statements of Voluntary Service Overseas (Ireland) Limited for the financial year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 17. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Accounting Standards issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland for periods beginning before 1 January 2015 (“relevant financial reporting framework”).

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 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 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 the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices 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 Reports and Financial Statements for the financial year ended 31 March 2015 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 March 2015 and of the net incoming resources for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with 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 law are not made.

Thomas Cassin
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin
13 January 2016

Income and Expenditure Account for the Financial Year Ended 31 March 2015

	2015 €	2014 €
Income	2,665,902	2,629,596
Expenditure	(2,561,667)	(2,482,333)
Operating surplus	104,235	147,263
Interest	248	2,810
Surplus on ordinary activities before taxation	104,483	150,073
Taxation	-	-
Surplus on ordinary activities after taxation	104,483	150,073

The results for the year derive solely from continuing operations.

Balance sheet as at 31 March 2015

	2015 €	2014 €
Fixed Assets		
Tangible assets	4,057	6,837
Current Assets		
Debtors	11,562	32,636
Cash at bank and in hand	1,514,788	909,904
	1,526,350	942,540
Creditors: Amounts falling due within one year	(832,754)	(356,207)
Net Current Assets	693,596	586,333
NET ASSETS	697,653	593,170
Represented by:		
General fund	697,653	593,170
TOTAL FUNDS	697,653	593,170

The financial statements were approved and authorised for issue by the Board of Directors on 13 January 2016 and signed on its behalf by:


Iarla Mongey
Chairperson


Richard London
Director

Cash flow statement for the financial year ended 31 March 2015

	2015 €	2014 €
Net cash inflow/(outflow) from operating activities	604,636	(377,763)
Returns on investment and servicing of finance:		
Interest received	248	2,810
Purchase of fixed assets	-	(4,562)
Net cash inflow/(outflow) from returns on investments and servicing of finance	248	(1,752)
Increase/(decrease) in cash and cash equivalents	604,884	(379,515)

Notes to the financial statements for the financial year ended 31 March 2015

1. ACCOUNTING POLICIES

The significant accounting policies adopted by the company are as follows:

Basis of Preparation of Accounts

The financial statements have been prepared in accordance with the Companies Act 2014 and Accounting Standards issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland for periods beginning before 1 January 2015.

The financial statements are presented in euro.

Going Concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, for this reason, they continue to adopt the going concern basis in preparing the financial statements.

Recognition of Income

- (i) Grant income from operating activities, in furtherance of the charity’s programmes is accounted for on a receivable basis. Where income is received in respect of future events or activities, it is recorded as deferred income until such time as the events or activities take place. Deferred income is accounted for in creditors.
- (ii) Public donations and similar income arising from fundraising events and activities are accounted for when received. As with many charitable organisations, independent groups and individuals from time to time organise fundraising activities. However, as amounts collected in this way are outside the control of the company, they are not included in the financial statements until received by the company.
- (iii) Donations in kind such as services rendered to the company are recognised in income with an equal amount being charged against expenditure where valuations can be measured with confidence. Valuations of donations in kind are based on the unit cost to the donor. If such a valuation is not available, reasonable market rates are used.
- (iv) Interest income is recognised in the period in which it is earned.

Recognition of Expenditure

- (i) Expenditure is analysed between the activities in furtherance of the charity’s objects, cost of generating funds and governance costs.
- (ii) The costs of each activity have been separately accumulated and disclosed. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors. Charitable expenditure comprises all expenditure incurred by the charity in meeting its charitable objectives as opposed to the costs of raising funds to finance these activities. Any publicity costs are included under the costs of generating funds due to the nature of the costs being linked to the raising of funds in furtherance of the charity’s objects.
- (iii) Expenditure in project locations overseas is recognised as charitable expenditure in the period it occurs.
- (iv) Governance costs are the costs associated with the stewardship arrangements of the company. They comprise costs arising from constitutional and statutory obligations, as well as costs associated with the strategic management of the company’s activities. Typical costs would be internal and external audit, and legal fees.

Taxation

The company, having charitable status is not subject to corporation tax.
Expenditure recorded included VAT where applicable as the company is classified as an exempt entity for VAT purposes.

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date.
Revenues, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transactions. The resulting surplus and deficit are dealt with in the income and expenditure account.

Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the financial year to Personal Retirement Savings Accounts (PRSAs) for staff.

Operating Leases

Rentals in respect of operating leases are charged to the income and expenditure account as incurred.

Tangible Fixed Assets and Depreciation

All tangible fixed assets are initially recorded at historic cost.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset systematically over its expected useful life, as follows:

Fixtures, fittings and equipment	-	15% straight line
Computer equipment	-	25% straight line

2. INCOME	2015 €	2014 €
Grant income	503,312	263,914
Donations, legacies and fundraising	788,940	889,327
Investment from VSO International	538,111	434,156
Other income	835,539	1,042,199
	2,665,902	2,629,596

3. Grant Income & Restricted Deferred Income

Grant income is received from VSO International and Restricted Deferred Income is received from various organisations as follows:

	2015 €	2014 €
VSO International – core grant	797,178	952,923
Electric Aid	17,082	8,332
INTO	-	5,405
Bishop’s Appeal	8,000	13,000
Bewleys	-	8,200
Dublin City Council	4,050	4,050
Alllergan	-	10,243
ASTI	-	500
Volunteer FR	-	500
Bentley	13,593	-
	839,903	1,003,153

4. Charitable Activities

	2015 €	2014 €
Expenditure on charitable activities is analysed as follows:		
Volunteer placements	113,679	117,117
Volunteer recruitment	293,313	371,691
Return volunteers	24,467	24,084
Overseas programmes	1,388,614	1,290,927
	1,820,073	1,803,819

5. Net Incoming Resources

	2015	2014
	€	€
Net incoming resources for the year is arrived at after charging/(crediting):		
Directors’ remuneration	-	-
Operating leases	46,342	44,402
Interest earned	(248)	(8,396)
Depreciation	2,780	1,288

Auditors’ remuneration (excluding VAT):

- Audit	7,500	7,500
- Tax advisory services	-	-
- Other assurance services	-	-
- Other non-audit services	-	-

6. Employees

	2015	2014
	Number	Number
Number of employees		
The average monthly number of employees during the year was:		
Full time	7	9
Part time	3	2
	10	11

The aggregate payroll costs of these persons were as follows:

	2015	2014
	€	€
Wages and salaries	520,536	516,811
Social welfare costs	53,542	54,936
Pension costs	19,976	20,258
	594,054	592,005

The number of employees whose salaries including staff benefits but excluding employer pension contributions, were greater than €70,000 was as follows:

	2015	2014
€70,001 - €80,000	1	1

7. Pension Costs

VSO Ireland Limited facilitates a PRSA scheme on behalf of all its employees. The pension charge represents contributions paid or payable by the company and amounted to €19,976 (2014: €20,258). Amounts payable at the year-end were €611 (2014: €nil).

8. Taxation

The company is exempt from Corporation Tax due to its charitable status.

9. Tangible Fixed Assets

	Fixtures Fittings and equipment €
Cost	
At 1 April 2014	13,148
Additions	-
At 31 March 2015	13,148
Depreciation	
At 1 April 2014	6,311
Charge for the year	2,780
At 31 March 2015	9,091
Net book values:	
At 31 March 2015	4,057
At 31 March 2014	6,837

10. Debtors

	2015 €	2014 €
Other debtors	11,562	11,897
Prepayments and accrued income	-	20,739
	11,562	32,636

11. Creditors: (Amounts falling due within one year)

	2015 €	2014 €
Trade creditors	33,203	115,107
Amounts owed to related undertakings (Note 13)	321,377	9,453
PAYE and social welfare	16,736	14,035
Accruals and deferred income	37,494	14,753
Restricted Deferred Income	423,944	202,859
	832,754	356,207

12. Statement of Movement on Funds

	Unrestricted Fund €	Restricted Deferred Income €	Total €
At 1 April 2014	593,170	202,859	796,029
Net incoming resources	104,483	221,085	325,568
At 31 March 2015	697,653	423,944	1,121,597

The balances of Restricted Deferred Income at 31 March 2015 represent expenditure on overseas programmes to be incurred during the next financial year.

	Balance at 01/04/2014 €	Restricted Income €	Restricted Expenditure €	Balance at 31/03/2015 €
Bank interest	35,157	-	(5,660)	29,497
INTO	3,000	-	-	3,000
Electric Aid Ethiopia	8,332	-	(8,332)	-
Electric Aid Ethiopia		8,082	(8,082)	-
Electric Aid Mozambique		9,000	(9,000)	-
Irish Aid Ethiopia	71,680	357,326	(199,946)	229,060
Irish Aid Uganda	41,284	148,216	(96,852)	92,648
Irish Aid Zambia	29,637	137,545	(105,443)	61,739
Bishop's Appeal – Zimbabwe	-	8,000		8,000
Dublin City Council – Mozambique	4,050	-	(4,050)	-
Dublin City Council – Mozambique	-	4,050	(4,050)	-
Allergan - Bahaginan	9,219	-	(9,219)	-
Bentley		13,593	(13,593)	-
Volunteer Funding – Rwanda	500		(500)	-
Total Restricted Deferred Income	202,859	685,812	(464,727)	423,944

13. Reconciliation of Changes in Recourses to Net Cash Inflow From Operating Activities

	2015 €	2014 €
Incoming resources in the period	325,568	280,479
Depreciation	2,780	1,972
Bank interest	(248)	(2,810)
(Increase)/decrease in debtors	21,074	(13,458)
(Decrease)/increase in creditors and accruals	255,462	(643,946)
Net cash inflow from operating activities	604,636	377,763

14. Analysis of Changes in Net Funds

	Opening Balance €	Cash flow Income €	Closing Balance €
Cash on hand and at bank	909,904	604,884	1,514,788

15. Related Party Transactions

VSO Ireland operates as part of the global VSO Federation. Certain costs are reported centrally as part of the VSO International Financial statements, a company registered in the United Kingdom. VSO Ireland contributes unrestricted income in order to support those costs.

VSO Ireland received grants from VSO International of €1,335,289 (2014: €1,387,079). As VSO International is responsible for all overseas programmes including volunteers, VSO Ireland remits income to VSO International to support these programmes. The amount owing at 31st March 2015 to VSO International by VSO Ireland is €321,377 (2014: €9,453).

16. Commitments

The company had no capital commitments at the year end.

Annual commitments exist under operating leases as follows:

	Buildings	Equipment	Total
Within one year	20,738	4,053	24,791
Within two to five years	-	5,470	5,470
After five years	-	-	-

16. Company Limited by Guarantee

Paragraph 4 of the memorandum of association states:

‘Every member of the Company undertakes to contribute to the assets of the company in the event of its being wound up, while he/she is a member or within one year afterwards for the payments of the debts and liabilities of the Company contracted before he/she ceases to be a member and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amounts as may be required not exceeding €1.00.’



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VSO Ireland is a registered charity in Ireland: No. CHY15048

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