



Annual Report and Financial Statements

For The Year Ended
31 March 2012





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Chair and Executive Director's introduction

Ireland is at a crossroads, with an economic climate which is making our work more challenging. VSO Ireland has responded with creativity and dynamism to these challenges and we are rightly proud of our successes.

Why do we do what we do? Put simply, VSO believes in the power of putting people at the heart of our work to overcome poverty and hunger. This happens when people from different backgrounds with different experiences come together, listen to each other and ensure that the right people have the right resources to make the right decisions.

We are passionate about our role in this process and the incredible work of our volunteers in communities right across Africa and Asia. Our approach complements the work of other NGOs working in these areas while remaining true to our core belief that bringing people together to share skills, build capacities, promote international understanding and ultimately change the world to make it a fairer place for all.

Our work continues to change lives and last year, globally, VSO reached 26 million people. Specifically, VSO Ireland reached 4.23 million people with the support of Irish Aid and the people of Ireland. We sent 29 volunteers abroad who worked with 27 partners to bring about change in 17 countries.

As an agile and flexible development organisation, we are changing as the world changes. We responded to the emergence of a new state in East Africa by sending Padraic McKeon to take the lead in our new country office in South Sudan.

Our work can only take place because of the support of individual donors, Irish Aid, corporate partners, trusts and foundations and the Irish public. We have exceeded our expectations for our individual giving campaign and through diversifying our fundraising base, we are making sure that VSO Ireland is ready for any changes in the months and years ahead. VSO Ireland will not be found wanting when it comes to supporting our development programmes abroad.

Now more than ever, VSO Ireland are advocating to government and civil society the power and benefits that volunteering can bring to fighting poverty in a sustainable way. Ireland has a long tradition of volunteering abroad and having a sense of empathy and solidarity with disadvantaged people. With this in mind, we will continue to work with the Irish Government and other stakeholders to promote volunteering in Ireland.

To all our donors, supporters, partners and volunteers – we thank you. Your generosity, time and support have enabled us to achieve the successes outlined in this report and allowed us to invest in future programmes. Finally to our team in Dublin who have worked incredibly hard to ensure that we delivered on our ambitious programme of work in what has been a difficult year. We are enormously grateful.

Iarla Mongey
Chairman

Malcolm Quigley
Executive Director

Over

200

volunteers sent
from Ireland



About VSO: People First

We bring people together to fight poverty

VSO is the world’s leading independent international development agency working for change through volunteers. Since 2004 VSO Ireland, as part of the global VSO organisation, has enabled people to help others and create a long-lasting change that’s now felt around the globe.

Change is needed now more than ever, because the shameful truth is that today more than 1.4 billion people are struggling to survive on under \$1.25 a day. Rising food and energy costs are also moving a staggering two billion people perilously close to the poverty line.

This level of poverty is simply not acceptable in our world. But what can we do about it?

Of course sending money and resources can help people in the short term – but at VSO we approach poverty differently. There is a better way to create a lasting longer-term solution – and that solution is **people**.



2004
began recruitment
in Ireland

Creating the catalyst of long-lasting change

VSO brings skilled volunteers into developing countries to inspire and train the world’s most vulnerable and marginalised people. A volunteer acts as a catalyst that creates a lasting change which can be sustained long after they leave.

It’s simple to picture: One midwife can train ten local midwives who, in turn, can save a thousand babies and mothers over the coming years. One teacher can help train 30 teachers who, in turn, will go on to teach 30,000 children. All this is achieved because of the help of VSO volunteers – people working together towards a shared goal to combat the effects of poverty.

Changing people’s lives from the ground up

This is how VSO changes lives - from the ground up. Locally and regionally we support better quality health and education services, develop economic opportunities and increase the participation of communities traditionally excluded from power. Nationally we support and encourage equitable and pro-poor policies.

Working at all levels within a country can be complex, but our work is always grounded in straightforward values:

- People are the best agents of change
- Knowledge is our most powerful tool
- Progress is only possible through working together
- By thinking globally we can change the world.

Put these values together and we have a clear and realistic vision and mission to guide our fundraising, recruitment and advocacy work in Ireland and our extensive development programming abroad.

We couldn’t do this without a global network of around 800 dedicated VSO employees worldwide. Each employee has a voice, which is heard throughout the management structure by surveys and feedback options on our intranet. It is fitting that, as an organisation with people at the centre, we have maintained an excellent employee engagement score above other comparable organisations. With the support and confidence of all of us across VSO, working together to end poverty is a reality we believe in – and you can too.

For over 50 years VSO has helped people to help others and create a long-lasting change, which is now felt across the globe.

Where we work

VSO International works in countries where we can make the biggest difference against poverty; we are working more and more in fragile states and less developed countries. In 2011/12 we delivered innovative programmes in 36 countries across the world – in Africa, Asia, the Pacific, Latin America and the Caribbean.

VSO Ireland specifically supported 22 partner organisations in the Southern Africa region in 2011/2012, by securing funding for the Regional AIDS Initiative in Southern Africa (RAISA). Thanks to an Irish Aid grant, VSO has supported people living with or affected by HIV in Malawi, Mozambique, Zambia, South Africa and Zimbabwe through the placement of 29 specialist volunteers along with other supporting activities such as small grants and study tours.

In addition in 2011/2012, 29 volunteers from Ireland worked with 27 partners in the fields of education, health, HIV and AIDS, secure livelihoods and peace in 17 countries.

working since
1958
to fight global
poverty

Activities, achievements and performance

Highlights of the year



Securing of Irish Aid Funding

Since 2010, VSO Ireland has secured a total of €2,071,000 towards our HIV and AIDS programme in Southern Africa, through Irish Aid’s Civil Society Fund. As a result of Irish Aid support, over 3,000 people infected with HIV and their carers have acquired new business and agricultural skills and are now better able to provide for themselves and their families. Our vital partnership with Irish Aid continues to develop as we explore interests in programming for 2013.

RTÉ Documentary on VSO India

In March 2011, Gaeljin, an Irish production company secured funding from the Broadcasting Authority of Ireland and RTÉ to produce a documentary featuring the 2011 Rose of Tralee and VSO’s disability partners and volunteers in India. The documentary aired in August, reaching an audience of 360,000 viewers under the ‘diversity and education’ category of RTE programming. It resulted in increased enquiries to VSO from potential volunteers and a spike in fundraising support.



Advances in volunteering

Over 2,600 international volunteers contributed to VSO’s work in the past year, 29% of whom were from developing countries. Currently, there are 35 volunteers recruited from Ireland serving overseas. We had a strong recruitment year, sending 24 long-term volunteers and five short-term volunteers, exceeding our volunteer sending target set by VSO International. Included in this were eight primary teachers; two education managers; six research and advocacy professionals; five health professionals; seven business professionals; and one IT professional.



Corporate Partnership with Irish Life and Permanent

During 2011 VSO established a new corporate business partnership with Irish Life & Permanent. The first Irish Life employee departed to volunteer in Tajikistan in May 2011. VSO has been working in Tajikistan since 2008, placing volunteers with government, private sector and civil society partners to create new employment opportunities and stimulate greater economic growth.



Study Tour from Mozambique to Ireland

Thanks to funding from VSO International’s ‘Knowledge Sharing’ programme, in February 2012 a Mozambican delegation took part in a study tour hosted by VSO Ireland. The delegation comprised of two members of the Mozambican Parliament and representatives of the Ministry of Youth and Sport, the National Volunteer Council and UN Volunteers. Participants shared learning between Mozambique and Ireland on implementing effective national volunteering programmes.



Individual Giving Programme

In April 2011, VSO International invested in the development of a regular individual giving programme in Ireland. Over the next five years, the programme aims to actively recruit in excess of 35,000 donors through door to door fundraising. Donors are connected directly with VSO volunteers through “Volunteer Linking” blogs to ensure they hear firsthand about the progress being made written by the volunteers they support. The new programme is laying the foundations for a reliable and ongoing source of vital income to support our development programmes.





The impact of VSO's work

VSO continues to work with and support partner organisations at every level of society, from government organisations at the national level to health and education facilities at the local. In 2011/2012 we supported 1,011 partners across our six development goal areas of education, HIV and AIDS, health, secure livelihoods, participation and governance and disability. This was achieved through a range of interventions including international volunteers, national volunteers, small grants and international study tours. We are pleased to be able to share the aims, achievements and plan, for each of our goals.

Impact Education

VSO works with
216
education partners

Our aim:
To support the development of quality education services and gain access for marginalised peoples and communities.

Achievements of the year

VSO Ireland recruited eight primary teachers and two education managers to work as long-term volunteers. Globally, VSO works with 216 education partners in 17 countries in Africa, Asia and the Pacific. Partners include national, provincial and district level government organisations, teacher training institutes and civil society organisations (CSOs).

VSO Ireland has a strong history of sending high quality education professionals overseas. In 2011/12, Rwanda had the largest number of Irish education volunteers in situ in comparison to other programme countries. VSO has been working in Rwanda since 1997 when it established its education programme in response to a request from the Ministry of Education.

VSO Ireland had five primary teachers working in various district Teacher Training Colleges as methodology and resource teachers. The aim of these placements was to ensure that Teacher Training Colleges had functioning resource centres to aid child-centred learning and to provide training to tutors in active learning methods.

One recently returned Irish volunteer from Rwanda who completed her two year placement was successful in training teachers in learner-centred methods, making a huge difference to the standard of teaching amongst Rwandan teachers in her district, as well as making lessons more enjoyable and interactive for both teachers and children alike. This particular volunteer was also instrumental in supporting the development of two teacher resource centres as well as supporting the development of Global School Partnerships in her district.

Partner organisations also received VSO’s support to build their capacity in research, advocacy and policy engagement. In Cambodia and Ethiopia, civil society

partners successfully used the evidence from VSO supported Valuing Teachers research to bring about positive changes in policies and practices.

Through the provision of quality VSO-supported education services from 117 of our partners' over 3.8 million children were reached.

In the next 12 months:

VSO Ireland will continue to recruit primary teachers and principals to work as long-term volunteers overseas. We will focus on implementing new education strategies which emphasise the need for quality primary and basic education and community engagement for girls’ enrolment and retention. We will strengthen cooperation with other development agencies and CSOs to influence education policies and their implementation. Programmes will continue to scale up work on improving teaching and education management.

Sweetbert Mujemula is an English and science teacher at Katebenga Primary School in Tanzania and was selected to become a mentor in both subjects. He believes that the participatory teaching methods he learned from James and Sue, VSO volunteers, revitalised his enjoyment of teaching: “Before I was a little bit sleepy,” he says. “Now I’m awake.”

In Sweetbert’s lessons, pupils can often be found playing bingo and other games, and he firmly believes that they learn more because they’re having fun.

“
Between March and April I visited 70 of the 95 schools I work with. It was indeed tough but always worth it. Some schools you go to, you see very little change but in others they are really trying very hard and deserve our support.

Carmel Bradwell, primary school principal working as a teacher trainer in Canon Apollo Primary Teachers College, Uganda.

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Case study: Rehabilitation in South Sudan

South Sudan is the world’s youngest country – it’s also one of the poorest. VSO started working in South Sudan as soon as it became independent in July 2011. The challenges are immense: decades of civil war have ravaged the country, leaving it with a literacy rate of around 27%.

In response, VSO is working to improve education and health services. In January 2012, we sent our first Irish volunteer to work in the newly independent state with the Department of Education. Padraic McKeon is a retired primary principal teacher from Mayo working as an Educational Adviser in Yambio County, State of Western Equatoria.

With 51% of the population under 18 years, South Sudan needs support to build and strengthen its

education system. Over the course of his placement Padraic’s role will be to address the operational weaknesses in the education system, as well as to improve the quality of teacher training and to develop examination standards and practices across schools in Yambio County.

Speaking of his day-to-day work, Padraic said: “I visit county education centres to work with their staff. We concentrate on child-centered methodologies of teaching, with which we are familiar in Ireland. I have brought the CD-ROM of the revised Irish Curriculum with me and I find it very useful here. The enthusiasm and willingness to learn shown by the staff where I work is commendable. Facilities are basic, money scarce and progress is dependent on donor agencies. But things are improving slowly, and it’s very satisfying to be part of that.”

Impact

HIV and AIDS

20,322

Expectant mothers and partners tested for HIV / AIDS in Zambia

Our aim:
To develop quality HIV and AIDS services and ensure access for marginalised people.

Achievements of the year

During 2011/2012, VSO-RAISA's Irish Aid funded work reached five countries in Southern Africa, namely: Malawi, Mozambique, Zambia, Zimbabwe plus regional in South Africa. Particular progress has been made in improving the quality of care and support provided to men and women living with HIV, and advocacy work to advance national care policies.

In Zambia, VSO doctors placed at Thandizani Home Based Care and at Minga, Lumezi and Monze Mission hospitals were able to significantly improve the efficiency of their prevention of mother to child transmission (PMTCT) and anti retroviral treatment (ART) services. Across the four organisations:

- 20,322 expectant mothers and their partners were tested for HIV.
- 4,514 pregnant women who tested positive were placed on anti retroviral (ARV) prophylaxis.
- 737 new born babies exposed to HIV infection were put on prophylaxis.
- 2,588 new patients were placed on ART.

In Southern Africa, 90% of people living with HIV are cared for in their homes, often by family members, and 80% of these carers are volunteer women and girls.



In the next 12 months:

VSO Ireland will again channel Irish Aid funding towards the Regional AIDS Initiative of Southern Africa. We will work to improve HIV services for people affected by HIV and AIDS, in recognition of their entitlement to a livelihood, appropriate healthcare and access to quality education. We will continue our advocacy work, focusing on improving the lives of those living with and affected by HIV, including orphans, vulnerable children and other key groups.

“

My work has been immensely rewarding. Seeing children with severe malnutrition and HIV infection coming back a few months later and doing well, having been started on ART, is really amazing. I have been able to witness cases such as this many times

Lena Murphy, Irish VSO medical volunteer, Minga Mission Hospital, Zambia

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Case study: Maggie the Unsung Hero

Maggie Kwendo is a grandmother living in a disadvantaged suburb of Harare, the capital of Zimbabwe. Maggie is a widow looking after seven of her grandchildren at home. Two of her daughters and one of her sons have died from AIDS related illnesses in the past ten years.

An organisation called New Dawn of Hope (NDH) reaches out to grandmothers like Maggie who have been affected by HIV and AIDS. NDH has been supported by VSO Ireland through Irish Aid funding since 2009. NDH community carers have been visiting Maggie regularly and providing her with counselling and a monthly food parcel containing 10kg parcels of corn and soya.

One of Maggie's daughters recently suffered from TB. Thanks to NDH, she was referred to a local clinic and treated quickly. Maggie has been improving her horticulture skills through training offered by NDH. She learnt how to make the most out of her existing vegetable patch and can now feed the many mouths in her household.

NDH ran a special retreat for elderly carers which Maggie attended. She learned about good nutrition, how to support children with psycho-social problems, and coping mechanisms for bereavement. Thanks to Irish Aid, Maggie and over 3000 people like her are supporting their families despite the challenges of HIV and AIDS.

Maggie is pictured above with her daughter and grandson.

Impact Health

VSO trained
1853
health practitioners
in Malawi

Our aim:
That marginalised people have good access to quality health services.

Achievements of the year

Globally VSO works with 149 health partners in 18 countries across Africa, Asia and the Pacific. Partners come from across all levels of the national health system and include community health centres, district and central hospitals, training colleges, health ministries, professional associations and NGOs. VSO Ireland recruited five health professionals including two nurses, one midwife, one speech and language therapist and one laboratory technician to work overseas as long-term health volunteers with our partners.

In Malawi, VSO volunteers provided training and capacity building to 1,853 practitioners (959 women and 894 men) in the following ways:

- VSO volunteers delivered clinical training delivered to a range of health professionals including doctors, clinical officers, nurses and midwives
- VSO volunteers trained officers in the new National Human Resource Management Information System which was developed collaboratively by the Ministry of Health and VSO volunteers
- VSO volunteers delivered management and technical training was delivered to community nurses and environmental health officers. This strengthened the management skills of village health committees, thereby improving primary healthcare delivery.

The Malawi health programme reached 317,000 women and 242,000 men through 36 volunteers working in clinical training, service provision, management and primary health care across two district hospitals, two central hospitals and four medical training schools.

Through the provision of quality health services 64 of our partners across 11 countries reached over six million people, including over four million women.



In the next 12 months:

VSO Ireland will continue to scale up the recruitment of nurses and midwives to work as volunteers abroad. Internationally we will increase our work in: maternal and new born child health, sexual and reproductive health and strengthening community healthcare systems. We will also address the key social determinants of health such as access to clean water and sanitation, nutrition, health systems governance and the effects of gender inequality.

“
Here I’ve earned the name of ‘Sister Jacqueline’. My main objective is to strengthen the clinical practice of midwives and student midwives. Every day is different and I’ve found gradually I seem to get a little busier, as trust is gained from my colleagues.”

Jacqueline McAuley, Midwife Instructor, Ethiopia



Case study: Teaching in Real Time

The baby is not breathing. Two doctors and three nurses surround the little body in the emergency ward. The infant’s mother sits silently on the floor by the entrance.

It is early afternoon and volunteer Louise Buckley has just waded back from lunch across flooded hospital grounds. Ngam Kim, her volunteer assistant, greets her with an urgent message. She is needed in emergency. Her first reaction to the scene, as she will say later, is a feeling of frustration.

Quickly, she reminds them of steps from the practice. One team member uses a bag-valve mask to cover the infant’s face and pump oxygen into his lungs under pressure. Another begins chest compressions. Louise steps back, finds a lamp to shine on the bed, and reminds each nurse taking turns with the mask to keep an airtight seal around the infant’s nose and mouth.

‘Now they know it’s vital to get a good seal with the chin in and the head back so the air is getting in. If they look like they know what they’re doing and look quite comfortable, then I have them swap with somebody else. It is all about getting practice...

‘And yes we are trying to save the baby but we’re also educating so that the next time a baby comes in, they don’t need a baraing (westerner) to come in and say, “No, you do this!”’

This is teaching in real time. In this classroom, outcomes are a matter of life or death. Louise has a post-graduate degree in nursing and worked in the intensive care unit at the Mercy Hospital, Cork, before coming to Cambodia. Now the test is to make use of her professional knowledge in a place where healthcare is sometimes little more than an amulet and a prayer.

Impact

Secure livelihoods

VSO supported

1650

people to start
or expand a micro
business

Our aim:

That marginalised people have good access to quality services in secure livelihoods.

Achievements of the year

Globally VSO works with 275 secure livelihood partners in 18 countries across Africa, Asia and the Pacific. Partners include Civil Society Organisations, private and social enterprises and governmental organisations. VSO Ireland sent seven business professionals and one IT professional to our programmes abroad in 2011/2012.

In Kenya, VSO's Improved Sustainable Livelihoods (ISL) project supported 1,500 women and 150 men to start or expand micro-enterprises in the fruit and handicraft sectors. Consequently women were able to increase and diversify their income, access credit, send their children to school and create employment for other women, thereby becoming role models of economic empowerment.

VSO's contribution to improving the capacity of our partners continues to show positive results. Setting up a business from scratch is a challenge for most. This was particularly so for 27 year-old Jennifer Kamara, who was abducted from her village by rebel soldiers in Sierra Leone as a teenager and later lost her eyesight. In spite of her disability and the trauma she suffered during the war, Jennifer has rebuilt her life by developing a business selling palm oil, cola nuts and rice supported by a volunteer based at VSO partner, Binkolo Growth Centre.

VSO also works with partner organisations to strengthen their advocacy capacity. In Tanzania, VSO-partner, ANSAF (Agriculture Non State Actor Forum), delivered a petition signed by 16,000 farmers to Tanzanian President Kikwete, seeking improved support and investment for small-holder farmers. The government has now committed to building an enabling environment for smallholder farmers and to dedicate 10% of the country's budget to improving agriculture.

Through the provision of quality secure livelihood services 123 of our partners reached over 1.2 million marginalised men and women.

In the next 12 months:

In response to a rapidly changing business environment in the developing world, VSO Ireland is prioritising strategic engagement with the private sector to achieve 'shared value' and to improve economic self-reliance for the poorest people. New strategic CSR partnerships with corporations will be cultivated. VSO's livelihoods portfolio is expected to grow as new and expanding programmes develop across Africa (Uganda, Ethiopia, the Gambia, Cameroon, and Burkina Faso).

“

My work involved supporting the development of tribal women's cooperatives. Although this is one of the poorest parts of India and life is hard for a lot of people, mobile phones, satellite TV and the Internet are present everywhere. The contrast between prosperity and extreme poverty is very pronounced and visible.

Conor Ryan, Research and Development Associate, India

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Case study:

Better incomes for farmers in Cambodia

“I had no real idea why my chickens died or that there was such a thing as vaccinations,” says Vin Channy, who began raising chickens three years ago to supplement her family's meagre income.

She was pleased with the number of chickens that were hatched, but dismayed that most died before they were big enough to sell. Then she went on a two day workshop co-ordinated by VSO and VSO partner organisation, Aphiwat Strey, with funding from the Church of Ireland's Bishops' Appeal. One of the topics was chicken diseases and how to prevent or control them with vaccinations. “The day after the training I went to Battambang town and got vaccines for my chickens,” Channy said.

Persuading other chicken farmers to do the same was not so easy. Many were suspicious. It was not what they were used to. Over the next three months, they changed their minds. Their chickens continued to die, whereas Channy's remained healthy. Slowly they began to vaccinate their chickens too.

Channy now has over 60 chickens and adds over \$50 a month to her family's income. She plans to expand her business and is active in the community promoting good farming practices and women's literacy. She is a successful farmer, and a respected role model promoting change in her community.

Impact Peace

Ireland has much to contribute towards peace around the world

Our aim:
To contribute to building peace by engaging peace building partners to share skills, knowledge and experience.

Achievements of the year

Peace Building was incorporated as a new strategic direction in VSO Ireland’s strategy in April 2011. Globally, VSO supports partners with peace and reconciliation activities and programmes in Sri Lanka, Northern Uganda, South Sudan, the Philippines and Sierra Leone.

To launch VSO Ireland’s peace work in 2011, a position paper on Peace Building was written in conjunction with partners and programme managers across target countries. The paper concludes that stability building, post-conflict reconciliation and community integration are experiences that people from across the island of Ireland can share globally.

In August 2011 Dominic Hannigan TD, in his capacity as Chair of the Joint Committee on the Implementation of the Good Friday Agreement, undertook a placement with peace-making organisations in The Philippines. His facilitation of talks between civil society groups and government led to shared learning from the Irish peace process and the Good Friday Agreement.

VSO organised a youth exchange between young people from Sri Lanka and Derry, as part of the global exchange programme. This programme consisted of three months in Ireland and three months in Sri Lanka, volunteering locally and learning about development issues. In this context, the participants had an average age of 21 and came from conflict areas as well as non-conflict areas. They worked in several peace building organisations to support their capacity and to reach out to older youths affected by conflict.

Deputy Hannigan’s facilitation of talks between civil society groups and government led to shared learning on the Irish peace process and the Good Friday Agreement, elements of which were subsequently drawn upon in the run up to the signing of a formal peace agreement in that region.



In the next 12 months:

VSO Ireland’s peace work will become more interlinked within our country programmes and knowledge sharing activities. Many countries have identified youth engagement as a priority, and have also identified the need for greater participation in decision-making and good governance as key elements of the change required. Active citizenship and volunteerism programmes are central to building voice, activism and engagement in people-centred development.

We will also see an executive volunteer placement with the armed Forces of The Philippines to share knowledge on community policing as well as an exchange study tour to Ireland for Filipino peace partners.

“
To bring Irish learning to The Philippines was a great opportunity. Working with Filipino peace builders was so insightful. There are many things we can learn from other communities internationally, something VSO promotes.

Dominic Hannigan TD who volunteered in the Mindanao region of the Philippines

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The way we work:

Our interventions

Our aim is that ultimately our partner organisations will have the skills and capacity they need to be self-sufficient and so will no longer require VSO. To help with this, VSO Ireland commits to providing partners with a wider range of interventions enabling VSO to respond accordingly to different needs at the local level. Our interventions are highlighted below:

International volunteering

International volunteering is at the heart of VSO Ireland's contribution to development. Volunteers work with our partner organisations to share skills and learning. This joint endeavour leads to new ways of achieving shared goals and has a greater impact than simply transferring material resources. Our international approach involving volunteers and staff from an increasingly wide range of countries enriches our work by allowing us to combine, and learn from, different perspectives. As part of our contribution to tackling disadvantage, we build on the experience and learning of volunteers to raise awareness of development and global justice issues. In 2011/12, over 2240 international volunteers worked in our programmes internationally, 29 of whom were recruited and sent by VSO Ireland.

National volunteering

National volunteering (NV) aims to promote people's participation in development through volunteering within their own communities and countries. NV includes community volunteering, youth volunteering, local corporate employee volunteering, active citizenship, advocacy, network development and volunteering a sustainability strategy when VSO is exiting a programme. We are supporting 324 national volunteering partners as of March 2012.

International knowledge sharing

LINKS (Learning through International Networking and Knowledge Sharing) provides VSO partners with opportunities to learn good practice through working with agencies in other countries. We also promote and help to organise a variety of national activities that help to connect in-country partnerships. Activities can include study tours, themed workshops and in-country partner exchanges. Further information on the study tour from Mozambique to Ireland is featured on page 8.

Corporate volunteering

VSO is developing long term strategic partnerships with forward thinking companies. We believe that the corporate sector has an important role to play in the fight against poverty, not just through donations but through employee volunteering as well. Business professionals bring a wealth of expertise which can benefit our development partners, who gain access to crucial skills that act as an engine for sustainable growth. Partnerships with the corporate sector are mutually beneficial as companies benefit from increased employee motivation, staff retention and a more highly skilled workforce. Information on our successful partnerships with Accenture and Irish Life and Permanent are featured on Page 8 and 25.



Policy and advocacy

VSO Ireland has a growing programme of policy work which has an impact in Ireland and in national, regional and international development agencies. Our advocacy is highly effective because it is based on the experiences of our volunteers and partners. We work to give a voice to those who might otherwise not be heard by decision makers, and we influence the policies of agencies such as Irish Aid and the UN by producing and presenting high quality position papers. In 2011/2012 we contributed to submissions on the Irish Aid White Paper Review process on volunteerism, HIV and AIDS and livelihoods, in cooperation with other volunteer-sending agencies and International Non-Governmental Organisations.

Parliamentary Volunteering

Involving members of the Oireachtas in our work is a powerful way to achieve our advocacy aims overseas and to build vital support for international development in Ireland. Building on successful placements in 2008 and 2010, VSO Ireland sent two members of the Oireachtas on short-term political placements during the summer recess in 2011. The scheme places parliamentarians with our partner organisations on short-term placements to utilise their policy, advocacy and campaigning experience to drive our work and the work of our partners forward.

Supporting our programmes

In order to achieve success in our volunteer recruitment and programme development, improving our internal processes is critical. Volunteering, fundraising and public engagement were key focuses for 2011/12.

Volunteering

Our aim:

To recruit experienced and highly skilled professional volunteers from Ireland for our partners across the developing world and to ensure that they become agents of change both at home and abroad.

Achievements

As outlined in our description of VSO's interventions on Page 22, VSO volunteering continues to be innovative. Progress in capacity building in 2011/2012 was achieved through our unique people-to-people approach. Volunteers from Ireland continued to be recruited mainly from the education and health professions, with many of our recruits being placed in Ethiopia, Rwanda, Papua New Guinea and Malawi.

VSO Ireland had a strong recruitment year, sending 24 long-term volunteers and five short-term volunteers, and thus exceeding our volunteer sending target set by VSO International. Included in our departures were: eight primary teachers, two education managers, six research and advocacy professionals, five health professionals, seven business professionals and one IT professional.

To improve our relationships with volunteers, VSO Ireland set new objectives surrounding the duty of care and support we provide before, during and after a volunteer placement. We strived to achieve a quality customer service to our enquirers, applicants and recruits.



Outreach events to recruit volunteers in Ireland included presence at professional conferences, recruitment fairs and monthly 'Meet VSO' events. These were hosted free of charge at the Irish Aid Volunteer and Information Centre. We achieved a high success rate at our monthly Assessment Days and volunteers continued to cite satisfaction with the quality of training we provide.

VSO Ireland works in partnership with Comhlámh to support returned volunteers with resettlement, and is a committed signatory to The Comhlámh Code of Good Practice for Sending Organisations. In April 2011, we participated in an organisational audit of the code, funded by Irish Aid. VSO Ireland scored very highly on compliance with the code and is working towards 100% compliance for 2012/2013. Recommendations arising allowed us to review some procedures and implement changes.

Fundraising

Our income objectives for 2011/12 were to:

- Implement VSO International's newly launched Income Growth Programme to achieve ambitious targets to support our development programmes.
- Establish a strong pipeline of future income through corporate, major donors and institutional funders.

Achievements this year

Between June 2010 and December 2011 VSO Ireland secured €480,000 through the Irish Aid Civil Society Fund for our HIV and AIDS work in Southern Africa. On the back of the programme's successful implementation, we secured an additional €531,000 for the same programme for 2012.

Our major income growth programme moved into the implementation stage. The funds allocated for investment in fundraising were successfully deployed on a number of projects with the aim of growing and geographically diversifying our income sources. To support the increase in activity, the fundraising team was expanded with the appointment of a Database Adviser and a Programme Funding Adviser. Areas of focus include; fundraising from companies and investing in a sustainable stream of direct debit donors.

Our newly launched individual giving programme made good progress over the year with strong growth in the number of regular donations. The programme is uniquely centred around Volunteer Linking, whereby donors are directly connected to Irish VSO volunteers on placements overseas. Our Linked Volunteers communicate with donors to share their experiences in the field, providing great insight into VSO's development work. While still in its infancy, the new programme is laying the foundations for a reliable and ongoing source of vital income to support our development programmes.

Volunteer fundraising continued to be an important element of VSO's fundraising strategy. Over the past twelve months, VSO Ireland successfully maintained its grassroots fundraising through a number of community

channels. Departing volunteers organised local fundraising events, achieving a combined target of over €20,000 for the year. This type of fundraising activity has the added advantage of enabling departing and serving volunteers to share their commitment to VSO with their own communities. Our treks also continued to be an excellent and challenging experience, providing trekkers with an opportunity to visit VSO projects in Kenya. Our more adventurous supporters scaled the heights of Mount Kilimanjaro during 2011.

VSO strengthened its Business Partnership Programme with the addition of Irish Life and Permanent (IL&P), now operating as Irish Life. The first IL&P employee departed for an Executive Volunteer placement in Tajikistan in May 2011. Elaine McGauran's strong HR background and specific experience of disability employment was put to good use in a placement focused on inclusive employment policies and procedures with a local NGO. During her time in Tajikistan, Elaine successfully developed training modules and conducted disability employment awareness training for stakeholders in both the public and private sectors. She also created a policy document on best practice for the recruitment of people with disabilities. This important policy will provide guidance for her local partner NGO in its future disability employment work.

VSO also continued to develop its ten-year partnership with Accenture, combining the unique strengths of each organisation. Through the 'Skills to Succeed' programme, VSO Ireland benefitted from Accenture's high quality staff training and professional development workshops. Globally, over 130 Accenture employees have volunteered to date with VSO, helping to meet the demand for business and management skills in developing communities. In turn, employees develop their own skills in leadership and innovation to bring back to the workplace.

The hugely popular and successful VSO fashion lunch, Style at La Stampa, took place in December. The event combined fine dining with Irish fashion designs from Project 51. Special celebrity supporter, Brendan Courtney, wowed guests as Master of Ceremonies on the day. This informal event, while an important fundraiser, also enabled VSO to engage with corporate partners and make new connections for future fundraising initiatives.

3623

Irish people support VSO every year

Public Engagement

Our aim:

To connect the Irish public to VSO programmes and development issues via consistent communications in advocacy, fundraising and recruitment marketing.

Achievements

In developing our new strategy, VSO Ireland has identified the need to promote the unique contribution that it makes to development, and the link between sending volunteers and achieving development goals. To this end, VSO Ireland scaled up its public engagement programmes in Ireland to communicate what we do more effectively. Fundraising and communications messaging during 2011/2012 focused on the development impact of VSO volunteers.

To achieve a louder advocacy voice, VSO Ireland continued to be an active member of the Dóchas HIV and AIDS working group, the Act Now on 2015 campaign and the Irish Coalition for the Global Campaign for Education. These all work to mobilise and strengthen a coordinated, coherent and effective response by Irish overseas NGOs as part of the global effort to combat poverty. VSO participated in campaigns and advocacy initiatives with INGO partners throughout the year, particularly with submissions to the Irish Aid White Paper Review process.

As part of our Parliamentary Volunteering programme, Senator Averil Power went to Mozambique to help VSO to drive the passage of legislation on national volunteering. Senator Power worked with VSO officials, UN Volunteers and the Ministry of Youth and Sports to lobby for new legislation that provides a definition of the concept of volunteering in Mozambique. This defines the rights and obligations of volunteers and organisations that involve volunteers including promotion, valuing and recognition of the contribution given by volunteers for the country's development process. She successfully prepared Mozambican MPs for their learning tour to Ireland, which took place in February 2012.

Dominic Hannigan TD undertook his third VSO placement, having previously worked with VSO as a Business Management Adviser in Mongolia, and as an Advocacy Adviser with Nepalese civil rights organisation Blue Diamond Society. In summer 2011, Deputy Hannigan was placed as an Advocacy Adviser with the Mindanao Peace Partners in his capacity as Chairman



of the Committee for the Implementation of the Good Friday Agreement at the time, he shared learning from the Irish context. See page 20 for information on VSO Ireland's peace programme.

In April 2011 VSO updated its global brand across the entire organisation to coincide with the new strategy. The project aimed to build a consistent and powerful case for support. For Ireland, the project consisted of a website redesign coupled with a streamlining of our communications functions. To reduce costs, a 'VSO Brand Hub' was launched to share where marketing resources are produced by VSO staff Ireland using centralised templates.

Increasing media presence to develop the VSO brand in Ireland was a priority to support fundraising with the Irish public. VSO Ireland reached an estimated audience of 400,000 across Ireland with the Rose to India documentary. Ongoing press work, nationally and locally, led to 127 printed newspaper pieces and over 15 radio interviews with volunteers and VSO staff.

VSO Ireland greatly increased its presence on social media using it as a cost effective tool to build support for VSO's work. By March 2012, we had increased our fans by 61% to 4103. Similarly, we improved our Twitter presence with an increase in followers of 38%. Our communications work was targeted into cost effective digital marketing primarily and resulted in 78% of all traffic to our website being first time visitors.



In total, VSO Ireland's media activity resulted in 6.5 million print and social media impressions and radio and TV exposure.

VSO Ireland staff presented to Dóchas members on our compliance on the Code of Conduct on Images and Messaging in July 2011 and to a Dtalk course on applying the Code of Conduct as an exemplary signatory. VSO has a strict global policy on messaging and photography guidelines.

Future Plans

2012/13 takes us into the second year of the VSO Ireland strategy 2011-2016. We have undertaken to reflect and examine all aspects of how we as an organisation perform. Areas being addressed include:

- Being an open, transparent and accountable organisation where people have clarity on responsibilities, accountabilities and values
- Carrying out a governance review in line with the recommendations in the Code of Practice for Good Governance for the Community, Voluntary and Charity Organisations in Ireland and the Irish Development NGOs Code of Corporate Governance.

- Growing and diversifying VSO Ireland's income in line with ICTR Guidance Principles for Fundraising
- Increasing staff welfare and productivity by improvement performance management systems and quarterly reporting
- Raise awareness of our development work and volunteer programme amongst the Irish public
- Strengthening our role within a unified global organisation based on an effective governance structure, with credibility and influence as an international development agency

We will continue to be transparent and to hold ourselves accountable to our stakeholders throughout the coming year. By doing this we will build on our core strengths by becoming a more responsive, efficient and cost-effective organisation that brings positive changes to the lives of poor and marginalised people.

Structure, governance and management

Our structure

VSO

Voluntary Service Overseas (Ireland) is a company limited by guarantee and not having a share capital registered in Ireland with registered charitable status (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.

VSO Federation

VSO Ireland operates as part of the VSO Federation. The VSO Federation is an international network of independently constituted member organisations comprising VSO (operating as both VSO international and VSO UK), VSO Jitolee (Kenya), Stichting VSO Nederland (the Netherlands), VSO Bahaginan Inc (the Philippines) and VSO (Ireland).

Each VSO federation member is a self-governing legal entity that has committed to working as part of the VSO Federation to collaborate and cooperate in the joint delivery of the VSO development programmes. Annual reports for each VSO federation member can be found on their websites.

Board of Trustees

The governing body for VSO Ireland Limited is the Board of Trustees, who are the legal directors of the company. The Board meets at least four times a year. Each meeting incorporates detailed debriefing on elements of our core activities to ensure trustees gain proper insights into VSO Ireland's work. All trustees serve on a voluntary basis and are reimbursed only for out-of-pocket expenses.

Trustees are recruited from diverse professional backgrounds and bring a range of experience and skills to the organisation. All trustees are provided with a comprehensive induction programme and continuing engagement through links with the senior management team, and participate as expert advisors to organisational working groups. As a group, they periodically evaluate their performance. A new board appraisal process will be introduced in consultation with the VSO Federation Council over the coming year.



The Board is responsible for approving and monitoring VSO Ireland's long-term strategy and annual corporate objectives and budget, approving any constitutional changes, nominating new trustees and appointing the Chief Executive.

The Board is committed to ensuring VSO Ireland employs best practice standards of corporate governance (in line with the recommendations in the Code of Practice for Good Governance for the Community, Voluntary and Charity Organisations in Ireland and Irish Development NGOs Code of Corporate Governance).

Board Sub-committees

During the year 2011/12, the Board had two formal sub-committees:

- Audit and Risk Committee:** Responsible for assessing the effectiveness of operational and financial risk management and internal control;
- Programmes Committee:** Responsible for the oversight of programme strategy and to oversee, guide, advise and evaluate VSO Ireland's fundraising efforts.

Management

The Board delegates day-to-day management of VSO Ireland to the executive and the senior management team. This team has operational and strategic oversight of VSO Ireland's work including finance, human resources and organisational development. The senior management team meets monthly 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 wider leadership team and the broader organisation.

Risk management

The senior management team identifies the key risks facing VSO Ireland, which are documented in the risk register, then discussed with and approved by the trustees. This then forms part of our reporting requirements to VSO International. 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 or will be taken in mitigation. It is reviewed quarterly by the senior management team and amended accordingly.

The trustees are satisfied that, through senior management, there are procedures in place commensurate with the size of these 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. In this case and where appropriate, financial provision may be made on the balance sheet against those risks, or reserves set aside in case of adverse events in the future.

Reference and administrative details

Details of our Board of Trustees and copies of our Memorandum and Articles of Association and the terms of reference for the Board and its sub-committees can be found on our website (www.vso.ie). A list of the members of our Board, Senior Management Team and sub-committees, and details of the VSO Federation Member websites are given on page 44.

Financial review

Income increased by
20%
over the previous
financial year

Income

Total incoming resources for the year totalled €2,371,135, which is an increase of €394,629 (20%) on the previous year (2011: € 1,976,506).

VSO Ireland works in close collaboration with the Department of Foreign Affairs (Irish Aid). Irish Aid restructured its programme funding schemes and realigned all grants to a calendar year funding period. The grant period for the Irish Aid funding for the VSO RAISA programme finished in May 2011. VSO Ireland received a six month grant of €480,000 to cover the period June to December 2011. VSO Ireland is appreciative of Irish Aid for its continued support.

We value Irish Aid’s support as a major donor and recognise that it is beneficial for us and for Irish Aid to have a more diverse portfolio of income streams. With increased core funding from VSO International we embarked on a programme of increased investment in our fundraising in order to grow our overall income and change our donor profile.

VSO International has committed to growing and geographically diversifying its income sources. After a successful test of the Irish market, the decision was taken to invest in a regular giving campaign over a five year period. The campaign is in line with projected return on investment of 1.85 times after five years (for every €1 invested in this campaign €1.85 income is generated). The main cost associated with this model occurs in the first year.

Restricted and Unrestricted Income

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 General fund (unrestricted income) represents amounts which are expendable at the discretion of the company in furtherance of the objects of the charity. Such funds may be held in order to finance working capital or capital investment.

We have undertaken to invest in funding relationships with key corporate partners and we are working on developing partnerships in this area, resulting in receipt of corporate income despite the current economic climate.

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 and charitable activities. 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 €1,343,708 on charitable activities, amounting to 52% of our total expenditure. This year we have seen some changes in the expenditure levels to that of the previous year. Volunteer placement costs show a 54% decrease primarily due to the cost of volunteer Home Country Funded Allowances being charged direct to the country of placement. This allowance in previous years was paid directly by VSO Ireland Overseas programme costs show a 20% reduction which reflects the reduction in the programme funding income.

In 2011/12, fundraising costs have increased by 124% which is a result of the planned investment in fundraising and in particular the investment in the individual giving campaigns in order to diversify our income base.

Governance costs show an increase of 37% mainly due to the additional investment of staff time in the application to full Federation Membership.

Expenditure	% Change 2012/2011	% of total expenditure
Costs of generating voluntary income	(48%)	9.8%
Individual Giving Campaigns	New	32.9%
Volunteer placements	(59%)	3.7%
Volunteer recruitment	15%	9.0%
Overseas programmes	(20%)	39.8%
Governance costs	79%	4.9%
Total	14%	—

Reserves policy

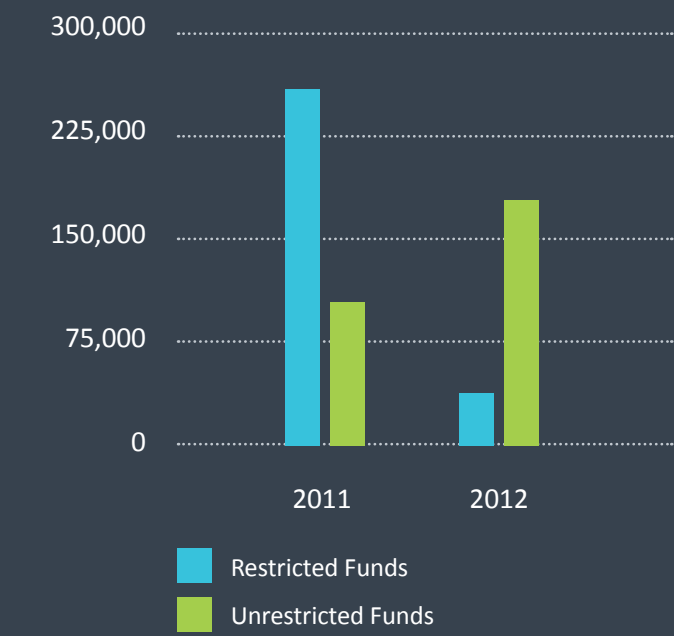
Funds held

Total funds carried forward at 31 March 2012 amounted to €213,407. Within this total, restricted fund balances total €43,185 (85% decrease) and unrestricted funds total €170,222 (54% increase).

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. This level takes into account potential volatility

	2011	2012
Restricted Funds	296,333	43,185
Unrestricted Funds	110,185	170,222



Statement of trustees’ responsibilities

Irish company law requires the trustees 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 trustees 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 Acts, 1963 to 2012. 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

We have audited the financial statements of Voluntary Service Overseas (Ireland) Limited for the year ended 31 March 2012 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 15. These financial statements have been prepared under the Accounting Policies set out in the Statement of Accounting Policies.

This report is made solely to the company’s members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees are responsible for preparing the financial statements, as set out in the Statement of Trustees’ Responsibilities, in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2012. We also report to you whether in our opinion: proper books of account have been kept by the company and whether the information given in the Trustees’ Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purpose of our audit and whether the company’s balance sheet and statement of financial activities are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding trustees’ remuneration and trustees’ transactions is not disclosed and, where practicable, include such information in our report.

We read the Trustees’ Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the company’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 31 March 2012 and of the net outgoing resources for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

In our opinion the information given in the Trustees’ Report is consistent with the financial statements.

Deloitte & Touche
Chartered Accountants and Registered Auditors
Dublin, September 2012

Statement of financial activities for the year ended 31 March 2012

	Note	Unrestricted funds €	Restricted funds €	Total 2012 €	Total 2011 €
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Grant Income	1	628,335	–	628,335	714,775
Voluntary Income		330,948	10,028	340,976	197,228
Donations in kind		92,645	–	92,645	32,018
Bank Interest		39	22,385	22,424	17,896
Other income - VSO International investment grant		803,755	–	803,755	–
<i>Income resources from charitable activities:</i>					
Grant income - Irish Aid		27,170	452,830	480,000	960,000
Grant income	1	–	3,000	3,000	54,589
Total incoming resources		1,882,892	488,243	2,371,135	1,976,506
Resources expended					
<i>Cost of generating funds</i>					
Cost of generating voluntary income		(214,361)	(37,016)	(251,377)	(481,764)
Other costs		(842,946)	–	(842,946)	–
Charitable activities	2	(639,333)	(704,375)	(1,343,708)	(1,704,437)
Governance costs		(126,215)	–	(126,215)	(70,333)
Total resources expended		(1,822,855)	(741,391)	(2,564,246)	(2,256,534)
Net incoming/(outgoing) resources	3	60,037	(253,148)	(193,111)	(280,028)
Total funds brought forward	10	110,185	296,333	406,518	686,546
Total funds carried forward		170,222	43,185	213,407	406,518

The financial statements were approved by the Board of Trustees on 20th September 2012 and signed on its behalf by:
Roger Duggan, Trustee
Hilary McDonagh, Trustee

All the above results are derived from continuing activities.
There are no recognised gains or losses other than the net movement in funds arising from continuing operations for the year.

Balance sheet

as at 31 March 2012

	Note	2012 €	2011 €
Fixed Assets			
Tangible assests	7	5,535	6,823
Current Assests			
Debtors	8	43,086	34,972
Cash at bank and in hand		336,544	954,406
		379,630	989,378
Creditors (Amounts Falling due within one year)	9	(171,758)	(589,683)
Net Current Assets		207,872	399,695
Total assets less current liabilities		213,407	406,518
Net Assets		213,407	406,518
Represented by:			
General fund	10	170,222	110,185
Restricted income fund	10	43,185	296,333
Total funds		213,407	406,518

The financial statements were approved by the Board of Trustee on 20th September 2012 and signed on its behalf by:

Roger Duggan, *Trustee*
Iarla Mongey, *Trustee*

Cash flow statement

for the year ended 31 March 2012

	Note	2012 €	2011 €
Net cash flow from operating activities	11	(640,286)	88,850
Returns on investment and servicing of finance:			
Interest received		22,424	17,896
Net cash inflow from returns on investments and servicing of finance		22,424	17,896
Capital expenditure and financial investment			
Purchase of fixed assests		–	(7,232)
Net cash outflow from capital expenditure and financial investment		–	(7,232)
(Decrease)/increase in cash and cash equivalents		(617,862)	99,514

Statement of Accounting Policies

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

Basis Of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention and Irish statute comprising the Companies Acts, 1963 to 2012. Furthermore the financial statements are presented in recognition of best practice for charities (Statement of Recommended Practice, revised 2005).

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

- Grant income from operating activities, in furtherance of the charity’s programmes is accounted for on a receivable basis.
- 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.
- 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.
- Interest income is recognised in the period in which it is earned.

Recognition Of Expenditure

- Expenditure is analysed between the activities in furtherance of the charity’s objects, cost of generating funds and governance costs.
- 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.
- Expenditure in project locations overseas is recognised as charitable expenditure in the period it occurs.
- 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 statement of financial activities.

Pensions

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

Restricted and Unrestricted Funds

Voluntary Service Overseas (Ireland) Limited maintains various types of funds as follows:

Restricted income fund:

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. Donations or grants may become repayable in the event that the conditions of the related agreements are not adhered to.

General fund:

The General fund: represents amounts which are expendable at the discretion of the company in furtherance of the objects of the charity. Such funds may be held in order to finance working capital or capital investment.

Voluntary Service Overseas (Ireland) Limited 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.

Designated funds: Voluntary Service Overseas (Ireland) Limited may at its discretion and/or with the agreement of the original donors of the funds, set aside funds for specific purposes in the furtherance of the charity’s objects, which would otherwise form part of the general reserves of the organisation.

Operating Leases

Rentals in respect of operating leases are charged to the Statement of Financial Activities 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.

Notes forming part of the financial statements

for the year ended 31 March 2012

1. Grant income

	2012 €	2011 €
VSO Internation - core grant	628,335	714,775
Bishops' Appeal	–	12,000
Other	–	42,589
INTO	3,000	–
	631,335	769,364

2. Charitable activities

	2012 €	2011 €
Expenditure on charitable activities is analysed as follows:		
Volunteer placements	94,044	230,690
Volunteer recruitment	230,021	199,507
Overseas programmes	1,019,643	1,274,240
	1,343,708	1,704,437

3. Net outgoing resources

	2012 €	2011 €
Net incoming resources for the year is arrived at after charging/(crediting):		
Operating leases	41,066	41,477
Interest earned	(22,424)	(17,896)
Depreciation	1,288	1,288
Loss on disposal of tangible assests	–	1,210
Auditor's remuneration (including VAT):		
Audit	7,500	7,500

4. Employees

	2012 Number	2011 Number
Number of employees		
The average monthly number of employees during the year was:		
Full-time	6	6
Part-time	4	2
The aggregate payroll costs of these persons were as follows:		
	2012 €	2011 €
Wages and salaries	460,981	377,347
Social welfare costs	49,317	39,590
Pension costs	14,875	14,010
	525,173	430,947

5. 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 €14,875 (2011: €14,010). Amounts payable at the year end were €2,143 (2011: € 2,040).

6. Taxation

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

7. Tangible fixed assets

	Fixtures, fittings and equipment €
Cost	
At 1 April 2011 and at 31 March 2012	8,586
Depreciation	
At 1 April 2011	1,763
Charge for the year	1,288
At 31 March 2012	3,051
Net book values:	
At 31 March 2012	5,535
At 31 March 2011	6,283

Notes forming part of the financial statements

for the year ended 31 March 2012

8. Debtors

	2012 €	2011 €
Amounts owed by related undertakings	20,212	–
Other debtors	11,390	22,607
Prepayments and accrued income	11,484	12,365
	43,086	34,972

9. Creditors (Amounts falling due within one year)

	2012 €	2011 €
Trade creditors	121,930	–
Amounts owed to related undertakings	18,316	18,724
PAYE and social welfare	15,031	15,366
Accrued restricted expenditure	–	451,664
Accruals and deferred income	16,481	103,929
	171,758	589,683

10. Statement of movement on funds

	General Fund €	Restricted Income Fund €	Total €
At 1 April 2011	110,185	296,333	406,518
Net incoming/(outgoing) resources	60,037	(253,148)	(193,111)
At 31 March 2012	170,222	43,185	213,407

The balances on restricted funds at 31 March 2012 represent expenditure on overseas programmes to be incurred during the next financial year.

	Balance at 01/04/2011 €	Restricted Income €	Restricted Expenditure €	Balance at 31/03/2012 €
Bank interest	37,540	22,385	(31,500)	28,425
Cambodia	12,000	–	(5,646)	6,354
INTO	–	3,000	–	3,000
Malawi	72	–	(31)	41
Pakistan	2,777	70	(2,847)	–
Irish Aid	243,944	452,830	(695,851)	923
RAISA Fundraising	–	9,958	(5,516)	4,442
Total Restricted Funds	296,333	488,243	(741,391)	43,185

11. Reconciliation of changes in resources to net cash inflow (outflow) from operating activities

	2012 €	2011 €
Outgoing resources in the period	(193,111)	(280,028)
Depreciation	1,288	1,288
Bank interest	(22,424)	(17,896)
Loss on disposal of tangible assets	–	1,210
(Increase) / Decrease in debtors	(8,114)	260
(Decrease) / Increase in creditors and activities	(417,925)	384,016
Net cash (outflow)/inflow from operating activities	(640,286)	88,850

12. Analysis of changes in net funds

	Opening Balance €	Cash Flow €	Closing Balance €
Cash on hand and at the bank	954,406	(617,862)	336,544

13. Related party transactions

Voluntary Service Overseas Limited, a company registered in the United Kingdom, provided funding of €1,432,090 (2011: €714,775) to Voluntary Service Overseas (Ireland) Limited during the year. At the year end, Voluntary Service Overseas (Ireland) Limited was owed €20,212 from Voluntary Service Overseas Limited and owed Voluntary Service Overseas (International) €18,316 (2011: Voluntary Services Overseas (Ireland) Limited owed €18,724 to Voluntary Services Overseas (UK) Limited).

14. 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	–	440	440
Within two to five years	41,476	1,346	42,822
After five years	–	–	–

15. 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.

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 2012)

Iarla Mongey (Chair) *	
Catherine Byrne ~	
Hilary McDonagh ~	
Roger Duggan (Treasurer)*	
Colm McGivern	
Derek McDowell ~	(Co-opted Trustee)
Dil Wickremasinghe ~	(Co-opted Trustee)

* Finance and Risk Committee (board sub-committee)
~ Programmes Committee (board sub-committee)

Senior Management Team (as at 31 March 2012)

Malcom Quigley	Executive Director
Sinead Lee	Head of Support Services
Deirdre Finlay	Head of Programmes and Volunteering
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)

Bankers:	AIB plc 7/12 Dame Street, Dublin 2
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Auditors:	Deloitte & Touche Deloitte Ltd, Deloitte House, Earlsfort Terrace, Dublin 2
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Thank you

VSO Ireland would like to take this opportunity to recognise the significant contribution of VSO’s volunteers. They very generously give up their time and salaries in order to share their expertise in our programmes around the world. Without them our work would not be possible. Many volunteers also continue to give up their time to help VSO when they return home by raising funds and promoting our work.

We have also received a huge amount of pro-bono support, discounts and gifts in kind during the year from corporate donors. This type of support is invaluable to VSO Ireland to enable us to achieve our goals.

VSO Ireland would like to thank all our generous donors and supporters, including those not individually listed below, for their continued vital support to our work.

Finally, we would like to also thank our Board members, our champions, our staff and everyone who has given their time and commitment in helping us work towards a world without poverty.

- Act Now 2015 campaign
- Accenture
- Appco
- Brendan Courtney
- Broadcasting Authority of Ireland
- Brodericks Bars
- Church of Ireland Bishops Appeal
- Comhlámh
- Dóchas
- Event Junkies
- Gaeljin
- Google Grants
- HAYS
- IBM
- INTO
- Irish Aid
- Irish Coalition of the Global Campaign for Education
- Irish International Business Network
- Irish Life and Permanent
- La Stampa
- National Volunteer Council
- Pat Spillane
- Rose of Tralee International Festival
- RTÉ
- The Wheel
- UNICEF
- UN Volunteers
- World Health Organisation
- 1st Options Models





VSO Ireland
Second Floor, 13-17 Dawson Street,
Dublin 2

01 640 1060
www.vso.ie

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

Ireland / February 2013