

Ireland



Voluntary Service Overseas Ireland

# Annual Report and Financial Statements

for the year ending 31 March 2014



# Contents

<b>1</b>	<b>Introduction</b>	Chair and Chief Executive Introductions	2
		About VSO: People First	3
		Irish Volunteers who Departed in 2013/14	5
<b>2</b>	<b>Activities, Achievements and Performance</b>	Highlights of the year	7
		Education	9
		Health	10
		Secure Livelihoods	11
		Participation, Governance and Peace	12
<b>3</b>	<b>Supporting our Programmes</b>	Volunteering	13
		Fundraising	14
		Policy and Advocacy	15
		Communications and Public Engagement	16
<b>4</b>	<b>Structure, Governance and Management</b>	Structure, Governance and Management	18
		Financial Review	20
		Income	20
		Expenditure	21
		Funds held	23
		Reserves policy	23
		Reference and Administrative Details	23
		Independent Auditor's Report	24
		Statement of Financial Activities	25
		Balance Sheet as at 31 March 2014	26
		Cash Flow Statement	27
		Notes to the Financial Statements	28
		Statement of Accounting Policies	32
	<b>Thank You</b>		34

# Chair and Executive Director Introductions

**VSO Ireland's tenth year has been one of change and new opportunities. Following the Irish government's renewed commitment to volunteering as a powerful tool for development cooperation, we have forged a new partnership with Irish Aid to send volunteers to contribute to programmes in some of Ireland's key partner countries.**

The Volunteer Lifecycle Review has introduced fundamental changes to the way that VSO functions, but through this change, the dedication, sacrifice and hard work of Irish volunteers has remained a constant. I am in awe of the commitment shown by Irish volunteers, and I am happy to report that VSO Ireland is working harder than ever to support our volunteers through their volunteer journey – before, during and after their placements overseas.

As we enter our second decade in Ireland, VSO Ireland can look back with pride on over 200 Irish volunteers placed with partner organisations in Africa, Asia, the Pacific and Latin America, and take pride in successful fundraising and advocacy campaigns. Our reputation has grown, as an international development organisation that does development differently, whose volunteers have made and continue to make a real and lasting difference to the lives of some of the world's poorest people.

To all our donors, supporters and partners, and above all to our volunteers, we thank you. We couldn't do it without you.



**Iarla Mongey**  
Chair

**This year's report reflects and recognises the breadth and depth of work carried out by VSO Ireland's volunteers in education, health and HIV, secure livelihoods and participation, governance and peace programmes. In the last year we have reaffirmed our values as an organisation, while introducing changes to the way we work to ensure that those values are realised.**

We are grateful to our many donors and supporters, without whom our work would not be possible. In the last year we have embarked on a new partnership with Irish Aid, through which we are sending volunteers to medical placements in Ethiopia, education placements in Uganda and planning and governance placements in Zambia.

In 2013/14 we introduced dramatic changes to the way we recruit, assess, match and place volunteers. These changes will ensure greater efficiency and value for money for VSO and our donors, while ensuring that we offer the best possible service to our volunteers. For the first time, all of our overseas placements are listed online, and prospective volunteers can apply for a specific role.

As we approach our tenth anniversary, we recognise above all our volunteers for their hard work, dedication and sacrifice, and we take enormous pride in the lasting change that they have brought about in some of the world's poorest communities.



**Malcolm Quigley**  
Executive Director

**Cover photo:** Dr. Niall Conroy provides training in neonatal resuscitation to healthcare workers including midwives and traditional birth attendants at Ngalu Clinic in Bo district, Sierra Leone. Niall worked as a General Practitioner in Bo General Hospital from March 2013 to April 2014.



## About VSO: People First

**VSO is the world's leading independent international development organisation that works through volunteers. Since 1958, VSO has sent over 50,000 volunteers to over 140 developing countries in Africa, Asia, the Pacific, the Caribbean, Eastern Europe and South America. Our mission is to bring people together to fight poverty, and today we do this in 32 of the world's poorest countries. We believe it is only when people step forward – either as local, national or global citizens – that sustainable change happens.**

Change is needed now more than ever. As we approach the deadline for achieving the Millennium Development Goals, more than 1.1 billion people are struggling to survive on less than \$1.25 a day. This level of poverty and inequality is simply not acceptable in our world. It is a problem that demands solutions that look beyond financial and technical assistance to people-centred approaches that are developed from the ground up.

In 2013/14, VSO worked with over 700 programme partners. With the support of our volunteers, partners and donors, we made a difference to over two million people. VSO volunteers trained 39,980 doctors, nurses, midwives and other health professionals and 93,800 educators so that some of the world's poorest people can have access to better quality medical and education services.

As a member of the global VSO Federation, VSO Ireland recruits skilled Irish volunteers, supports programme development and delivery, raises funds in Ireland to support the work of our volunteers, carries out policy and advocacy work at the national and international level and engages the Irish public in the work of our volunteers.

### Creating the catalyst for long-lasting change

VSO's model of volunteering ensures our volunteers act as catalysts, creating change that goes far beyond their placements and lasts long after they have returned home. We call this the Ripple Effect. One midwife can train ten local midwives who will, in turn, save the lives of a thousand children and their mothers. One teacher can help train 30 teachers who will go on to teach 30,000 children. By working on policy at the level of local and national government, a volunteer can support local counterparts to influence the direction of health or education services for millions of people. Their work contributes to national programmes, to wider national and international development goals, and ultimately to the achievement of the Millennium Development Goals.



We work to support the provision of better quality health and education services, develop economic opportunities and sustainable livelihoods and build peace in communities that have experienced conflict. 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 our four core 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

Combined, these values provide the foundation for a realistic vision and mission to guide our work in Ireland and our programming overseas. We could not do this without a global network of 800 dedicated VSO employees.

### Where we work

VSO volunteers can be of any nationality, but applications are managed by one of eight recruitment bases: [China](#), [India](#), [Indonesia](#), [Ireland](#), [Kenya](#), [the Netherlands](#), [the Philippines](#) and [the UK](#).

VSO Ireland recruits volunteers based on the island of Ireland, and Irish citizens living overseas. We work in countries where we can make the biggest difference in the fight against poverty, and increasingly we work in fragile states and less developed countries.

During 2013/14, VSO operated development programmes in 32 countries across Africa, Asia and the Pacific.

As part of our strategy, *People First*, we are committed to actively reviewing our country portfolio to ensure that we focus our resources on where we can make the most difference, and where we can deepen and grow our impact. This review is based on clear criteria - development need, poverty levels, how effective VSO's work can be in that country and our ability to raise funds for those programmes.

As part of this ongoing process in 2013/14 we decided to close our offices in [Cameroon](#), [Laos](#), [Tajikistan](#) and [Indonesia](#), and to [open an office in Myanmar](#).

In 2013/14, Irish Aid supported VSO Ireland to send volunteers to medical and health promotion placements in Ethiopia, education placements in Uganda and planning and governance placements in Zambia.

### Accountability

VSO Ireland's work is made possible through financial support from a variety of sources, including the wider VSO Federation, Irish Aid, the Irish public, corporate donors and charitable foundations.

We take the stewardship of these resources very seriously, and we invest time and finance in order to plan for and implement evidence-based, quality programmes that will lift the poorest people out of poverty.

To help us achieve this result we are taking the steps necessary to improve how we monitor and evaluate our work to both learn from and strengthen our interventions. VSO is ultimately accountable to our beneficiaries, so it is of the utmost importance that our programmes are built on quality evidence to maximise their impact and effectiveness.



Human resources manager Belinda Brummer and Nuala Keher, an adult and community education professional, with colleagues at an Easter lunch hosted by the Secretary of Yei Teacher Training College in South Sudan.

Irish volunteers who departed in 2013/14

● Recruitment bases





# Highlights of the Year

**New partnership with Irish Aid**

As part of the Irish Government's Volunteering Initiative, VSO Ireland is helping to increase access to emergency and intensive healthcare services for mothers, newborns and children in Ethiopia, to improve literacy and numeracy standards in 20 schools in Uganda and to improve local government effectiveness and planning in five district councils in Zambia. Volunteers from Ireland and other countries are working on these programmes to provide training and capacity building to local partner organisations.



**Value for Money**

In the past year, VSO Ireland has implemented key strategic change programmes to dramatically improve efficiencies. To ensure we achieve value for money and deliver the best service to our volunteers and partners, we have begun to diversify our funding base and reduce support costs by 30% globally. Introducing new technology for recruiting volunteers has streamlined our processes, leading to significant savings. At the global level, VSO has strengthened country office capacity and improved monitoring and evaluation of programmes.



**Award for Neonatal Intensive Care Units (NICUs) in Ethiopia**

VSO received the Consortium of Christian Relief and Development Association's (CCRDA) award for Good Practice in Health Care in Ethiopia. The award recognises work in establishing NICUs in three districts in Ethiopia, where VSO health volunteers are training local nurses and doctors in good practises and protocols for paediatric care. CCRDA is the umbrella organisation for hundreds of international and local NGOs in Ethiopia.



**Research on short-term volunteering**

VSO Ireland, Barncat Consulting and Hays carried out a major piece of research on short-term skilled volunteering. The research looked at models of volunteering and the potential to recruit short-term volunteers in Ireland. It found that short-term volunteers, especially health professionals, can make a real and lasting contribution to VSO programmes, and made recommendations on how short-term volunteers can be integrated into our work. This research will inform future programme development on the use of short-term volunteers, including VSO's Eminent Volunteering initiative.



**Volunteer Duty of Care**

This year we redoubled our efforts to build strong relationships with volunteers at all stages of their journey, especially after they return to Ireland. Comhlámh credited VSO as having implemented the self-audit indicators in the Code of Good Practice for Volunteer Sending Agencies to a very high degree. We now provide a wider range of support services to returned volunteers including Returned Volunteer Days and personal debriefings.

**Bringing volunteering to life for the Irish public**

Great progress was made last year in bringing the impact of volunteers into the lives of Irish people using the experiences of returned volunteers Dr. Mary McCauley and Jim Ferguson in a national media campaign. Research has shown that after seeing, and hearing about, their experiences as volunteers, awareness of VSO in Ireland increased from 2% to 8%.



## Education

Our education programmes support equitable access to quality education services.

We do this by strengthening formal basic education, increasing the number of children completing primary education and improving access to education for the most disadvantaged people.

Through their work, VSO volunteers increase the number of trained and qualified teachers, improving leadership, management and community engagement and promoting evidence-based policy and practice. Last year VSO worked with 167 education partners in 16 countries including education authorities, teacher training colleges, parent-teacher associations and civil society organisations.

### Key achievements

Our new Irish Aid-funded programme in Northern Uganda launched in October 2013, focusing on raising the standard of teaching and management in primary schools. Irish volunteer Michael Garvey is working with the Directorate of Education Standards to help 20 schools become more effective in their teaching, management and performance evaluation, in line with national standards. Ultimately this is expected to contribute to improved learning outcomes for pupils, particularly in literacy and numeracy.

Tom O'Donoghue from Wexford expanded the scope of his work on school leadership in Tanzania, training six local facilitators to deliver workshops in over fifty schools. His work with teachers, students and parents has led to a significant improvement in 'Standard 7' test scores in the schools he has worked with.

In Nepal, VSO's work with community volunteers from the Dalit Welfare Organisation resulted in 824 children from the marginalised Dalit community regularly attending mainstream schools.

### Campaigning for change

Irish VSO volunteer Nuala Keher worked with UNICEF and the Ministry of General Education and Instruction in South Sudan to develop a Child Friendly Schools Manual. Nuala returned to South Sudan for a three month placement in late 2013 to advise on mainstreaming the manual and monitoring and evaluating its implementation.

VSO Ireland is an active member of the Irish Coalition of the Global Campaign for Education, an alliance of organisations that aims to promote the Education for All goals at governmental level. These goals represent a global commitment to provide quality basic education for all children, youth and adults.

In 2015 the United Nations will agree a new set of goals for international development between 2015 and 2030. These 'Sustainable Development Goals' will focus the world's development cooperation for the next 15 years. Through our Post-2015 advocacy, we are calling for an international development framework to follow on from the Millennium Development Goals that includes a strong education goal, a target on the ratio of qualified teachers to children and clear and transparent national benchmarks that have to be reached by qualified teachers. See page 15 for more information on our Post-2015 advocacy.

### Case Study: Aisling Healy

'Two years might seem like a big commitment but for Ethiopia, two years is only a drop in the ocean'. Aisling is a secondary school teacher from Clonmel who has been a VSO volunteer in Woldia, a remote area in Ethiopia, since February 2013. The number of Ethiopian universities has increased dramatically from 12 to 31 in the past 10 years.

With many lecturers newly in post, there has been an increased need for support to ensure that their teaching methods achieve best practice standards. Aisling is a Higher Diploma Trainer in the University of Woldia, working with Ethiopian teachers and lecturers to improve teaching methodology. This includes supporting a move from teacher-centred methodologies to active learning methods. Aisling has delivered a range of workshops focusing on improving reflective practice in lesson-planning.

'I'm doing things here that I definitely wouldn't have been able to do at home. VSO allows me to work in direct collaboration with local people, and that's important to me'



## Health, HIV and AIDS

VSO's programmes respond to the global health crisis by improving the skills of front line health workers and the management of health and HIV and AIDS services.

VSO volunteers increase community engagement in health to ensure that marginalised people have access to quality services. They enhance the skills of nurses, doctors, midwives, community health workers and volunteers and they improve the administration of health services. We work to reduce the stigma and discrimination experienced by people with HIV and AIDS and support people caring for relatives and friends with HIV and AIDS.

Our partners in this work include local and national government health institutions, training colleges and civil society community health organisations. In 2013/14, we worked with 189 health and HIV and AIDS partners in 22 countries.

### Key achievements

Irish volunteer Obstetrician/Gynaecologists, Dr Mary McAuley from Co. Down and Dr. Carole Barry Kinsella from Dublin have been supporting midwives and nurses to improve the delivery of maternal and newborn care in southern Ethiopia. Following the success of a pilot project to establish a Neonatal Intensive Care Unit in Yirgalem Hospital, VSO, with support from Irish Aid, is expanding its reach with similar units at other hospitals. Staff from Yirgalem Hospital are now delivering training to staff in newly established neonatal ICUs in three neighbouring hospitals.

VSO Ireland volunteer Lydia Costello worked as a Health Programme Facilitator in Nepal, providing organisational and managerial advice and support to managers in health

organisations in remote settings. Lydia built their capacity through training and coaching and supported them to secure funding for their organisations. She also led the production of a new three-year health strategy for VSO Nepal and produced a health strategy implementation plan.

Last year, VSO's Regional AIDS Initiative of Southern Africa (RAISA) ensured that 192,322 people in seven countries benefited from improved HIV and AIDS prevention, treatment, care and support. We trained 269 local volunteers in how to deliver basic medical care in the home to people living with HIV and AIDS, and volunteers trained by the project went on to support 5,393 people last year.

### Campaigning for change

In Zambia and Mozambique, VSO is playing a crucial role in pressing governments to introduce policies to support people caring for someone living with HIV and AIDS, building on a similar policy in Zimbabwe, which was supported by VSO. In July 2013, VSO helped to draft Zambia's National Volunteer Caregiver Policy, and lobbied for resources to implement the policy.

In our Post-2015 Advocacy work, VSO advocates for a system-strengthening approach including supporting Human Resources for Health, leadership, management, governance and financing. We are calling for targets on Universal Health Coverage and a framework that addresses the lack of professional human resources for health.

### Case Study: Dr. Niall Conroy in Sierra Leone

In Sierra Leone, too many adolescents, mothers and babies die from preventable causes due to a serious shortage of qualified health personnel in many areas. Government hospitals are addressing this by establishing new systems and procedures and training staff in-house, including training by volunteer health professionals.

At Bo government hospital, Irish VSO volunteer Dr. Niall Conroy worked to strengthen the capacity of nurses and midwives at community level. He trained more than 100 health workers in life-saving resuscitation and emergency care for newborns. 'You see things that can be hard to take, such as newborns dying from very preventable and very treatable diseases, and often you feel very helpless. But the rewards can be immense.' Before Niall developed this course, only 14% of staff in maternity referral units could resuscitate a sick newborn. He has also developed an instructor training course and mentored local staff to deliver the same training, so his impact will continue to spread long after the end of his placement. 'People are always grateful that you're there and are usually very enthusiastic to learn from you, and there's nothing better than teaching a captive audience.'





## Secure Livelihoods

VSO helps disadvantaged communities become more economically self-sufficient and resilient.

We work in partnership with 201 organisations in 24 countries. We have also supported over 100 partner organisations in the areas of policy engagement, networking and national volunteering. We enable communities to become economically resilient, helping them to understand and manage their local environment, particularly in the face of climate change. We enable people to gain control of the resources they need to become more secure. This includes making sure growers and producers get a fair return for their work, and that employees are fairly treated.

By 2015, VSO's Youth Development Centre aims to train 65,000 young people in basic literacy and core skills, 35,000 in vocational skills through service contracts with up to 50 vocational training institutes. A significant number of these are supported in post-training activities and our aim is that 2,500 will be in meaningful employment or self-employment.

### Key achievements

In April 2013, Kebba Sillah, Director of Wuli and Sandu Development Association (WASDA) in the Gambia, was invited by VSO Ireland to contribute to a conference on Hunger, Nutrition and Climate Justice co-hosted by the Irish Government and the Mary Robinson Foundation.

WASDA and VSO are working together to improve groundnut production and productivity in Gambian communities. Groundnut growers in The Gambia now get a fair price for their

crop from buyers, partly thanks to our work helping growers' associations improve their negotiation skills. Groundnuts now fetch 59% more than last year, leading to significant increases in family income.

VSO partner KESAN-BEWG, a civil society group in Thailand, worked with local authorities to protect communities against land grabbing and forceful eviction. Local authorities are now issuing land titles to communities, enabling them to manage and protect their lands and livelihoods. 4,156 individual land titles and 16 community forest certificates have been issued since June 2012.



### Case Study: Noel Forde, vocational trainer in Uganda

Following a protracted conflict, peace has returned to northern Uganda, but young people are still suffering from the impact of over 20 years of conflict. A lack of education due to decimated services and weak employment opportunities is making it difficult for young people to earn a living. VSO's Youth Development Programme works through volunteers to build the capacity of the Northern Uganda Youth Development Centre and local vocational training institutes.

Noel Forde, an experienced woodworker and vocational trainer from Castlebar, Co. Mayo, is one of eleven VSO volunteers based in Northern Uganda to support this programme. He works with vocational training institutes to deliver quality training in woodwork and construction studies to young people, and to support these young people to develop entrepreneurship skills.



## Participation, Governance and Peace Building

VSO gives a voice to individuals, groups and organisations by supporting their efforts to influence and engage with governments and other service providers. We contribute to building peace by engaging peace and reconciliation partners to share skills, knowledge and experience.

Last year we worked with 74 participation and governance partners in 18 countries. This includes human rights organisations, women's groups and government departments. We support the development of systems, structures, policies and practices that empower disadvantaged people to influence the decisions that affect their lives.

### Key achievements.

In Zambia, VSO launched a pilot programme in Northern Province funded by Irish Aid to help local government councils improve their functionality, accountability and systems, so that they are more effective in serving their communities. Tadhg Daly from Cork is part of a multidisciplinary VSO team working with Zambian civil servants on this pilot programme. See the case study below for more on Tadhg's work.

Building on our 2012 Peace Programme Paper, in 2013/14, VSO Ireland provided leadership and expertise on ways in which knowledge and experience from Ireland can be shared in other contexts. We assembled a Steering Group to guide our work in this area and worked with our Country Offices in Pakistan, The Philippines and Uganda to develop volunteer placements in this area.

In June 2013, Sean Farren travelled to Uganda on an eminent volunteering placement. A former Minister in Northern Ireland, Sean shared his experience of post-conflict recovery with

politicians, youth representatives and community leaders. He advocated and made recommendations for the engagement of youth in shaping the post-conflict environment and worked to motivate and inspire youth organisations in Northern Uganda. In collaboration with the Women Rights Association, VSO Pakistan is implementing the Voice of Peace project in five districts, training 160 local youth volunteers to advocate in their communities.

### Campaigning for Change

As well as working in local communities, we advocate that national governments' policies and strategies take into account the needs of the poorest and most marginalised citizens. In partnership with UN Women, we worked with women's and girls' groups across Tanzania to help them influence the country's new constitution, which is currently being drafted by the government, to make sure it is gender sensitive. By working with the government of Cambodia, we are able to influence national plans on issues such as education, health, agriculture and labour, so that they take into account the needs of the poorest people.

In our Post-2015 Advocacy work, VSO advocates for a goal on participation and governance that cements citizens', volunteer groups' and civil society's role in open, transparent governance arrangements. We are also calling for the inclusion of volunteers and volunteer groups to be named in the framework as a partner in development cooperation.

### Case Study: Tadhg Daly

Tadhg Daly, an Urban Planner from Cork, is helping local authorities in Zambia's Northern Province improve their spatial planning as part of a new programme funded by Irish Aid. Working with the Ministry of Local Government and Housing, the programme in Northern Province is working to improve local governance structures and accountability in five districts.

Tadhg describes the work as 'a combination of fields including strategic and forward planning, urban design, assessment of planning applications, surveying and planning enforcement. This is happening during a large national process of decentralisation, where the responsibilities are being devolved from Provincial Government level, where I am based, to District Council level.'

Tadhg is working alongside other Irish Aid-funded volunteers in placements related to financial management, socio-economic planning and monitoring and evaluation. Tadhg is creating a new mapping system and supporting local councils to improve and digitise their maps, working with the councils to upgrade informal settlements through encouraging communities to adopt the legislation and titling process, introducing evidence-based planning, supporting councils to develop long-term planning strategies and updating housing layout plans.



## Supporting our Programmes: Volunteering

**VSO Ireland recruits outstanding volunteers to work in low-income countries, driven by demand from our overseas partners.**

We recruit experienced education, health, business and community development professionals to assist in our poverty fighting programmes.

In 2013/14, we sent 22 highly skilled volunteers including teachers, education managers, health and business professionals. The average time spent overseas by a VSO volunteer now approaches 18 months, which shows their dedication to their role and to the organisation.

Recruiting the right type of volunteers to support our programmes has been challenging in Ireland in recent times, due to ongoing economic uncertainty. This has led to a reduction in the number of Irish people committing to long-term placements overseas. While the number of medical and healthcare professionals expressing an interest in volunteering has increased, challenges remain for VSO Ireland to convert these professionals into volunteers in the field. Work is ongoing, through the HSE Global Health Programme, to understand the barriers to healthcare professionals going overseas on VSO placements and to help find solutions.

In late 2013, a new Volunteer Recruitment and Management system began to be rolled out across VSO globally. This system will, for the first time, allow potential volunteers to apply directly for particular placements and departure times that suit them. We also introduced a new assessment model for volunteer selection, allowing candidates to undergo assessment through a combination of online situational judgment tests and phone or Skype interviews. This will help streamline the application process globally, reduce costs and enable skilled professionals to apply from anywhere in the world to volunteer in one of our programmes, opening up new markets and opportunities.

In the last financial year, VSO Ireland placed a renewed focus and emphasis on our duty of care and support to volunteers before, during and after placement. We are committed to ensuring the highest standards of customer service and identifying opportunities for continued engagement among returned volunteers. Plans are being made for a celebration of all returned volunteers, and of their impact as development workers, as part of VSO Ireland's 10th Anniversary in April 2014.



We continue to support returned volunteers with resettlement upon return to Ireland. VSO is a committed signatory to The Comhlámh Code of Good Practice for Volunteer Sending Organisations. In November 2013, the organisation was assessed by Comhlámh as having implemented the self-audit indicators contained within the Code of Good Practice for Volunteer Sending Agencies to a very high degree. In March 2014, VSO Ireland signed a new partnership agreement with Comhlámh to strengthen the supports being given to returning volunteers.

## Supporting our Programmes: Fundraising

**VSO's key fundraising objective is to broaden and grow our income across a number of streams including; institutional, corporate, and individual giving.**

In 2013 VSO Ireland entered a new strategic partnership with Irish Aid. As a partner of the Government's Volunteering Initiative, VSO is harnessing the skills and experience of volunteers to contribute to development cooperation in Ethiopia, Uganda and Zambia. Funded by Irish Aid, VSO volunteers are working to improve the standard of care for mothers and newborns in target hospitals in Ethiopia. In northern Uganda, volunteers are helping to improve teaching practice and inspection in primary schools. In Zambia, volunteers in Northern Province are supporting provincial and local government offices to become more responsive to the needs of their communities.

Funding support received from Trusts and Foundations enabled women in Zimbabwe to reduce the amount of time they spend collecting fuel through the provision of fuel efficient stoves, empowered young people to educate their peers about HIV in Mozambique and helped primary schools in Uganda to improve the quality of education. VSO is extremely grateful for the continued support of the Bishops Appeal, ElectricAid, Bewleys, Dublin City Council, Allergan International Foundation, the ASTI and the Irish National Teachers Organisation. Internationally, VSO has a strong track record of partnering with corporate partners including Accenture, Cadbury and Randstad, on transformational programmes for development.

In the past year, VSO Ireland reviewed its engagement with the Irish corporate sector and finalised a new three year-strategy, *Harnessing the Expertise of the Corporate Sector*. The strategy highlights areas of VSO's work that are aligned to many Irish companies' Corporate Social Responsibility objectives, from programmatic development to volunteer-centred approaches. With the new strategy in place, VSO has begun to engage with companies to build an active pipeline to achieve future partnership success. Initial engagement has resulted in Bentley, a global software solutions company, aligning its CSR strategy to support a micro hydro electric power project in Mozambique, to be completed in late 2014. With Bentley's support, 18,000 beneficiaries from rural communities in Mozambique will have access to electricity.

VSO Ireland's Individual Giving programme experienced a somewhat challenging year. The annual objective was to continue

growing income through door-to-door donor recruitment. Income growth was curtailed during the year due to lack of capacity with recruitment suppliers. Despite the challenges, and thanks to the generosity of our regular donors, income from this stream grew by 4.67%. Donors continue to be linked directly with serving Irish VSO volunteers on placement overseas, who provide powerful insights through quarterly blogs, sharing their experiences directly from the field.

To ensure that our fundraising activities comply with best practice, VSO is now a signatory to the Statement of Guiding Principles for Fundraising. The Principles promote accountability and transparency in fundraising. VSO's donors can be reassured that they can trust VSO to use their donations wisely and effectively.

VSO Ireland increased community fundraising by 131% through a number of channels. Departing volunteers organised events to raise funds and share their commitment to international development. VSO's annual fashion lunch, Chic at the Shelbourne, took place in December 2013 and firmly established itself as the must-attend charity event in the Christmas calendar.





## Supporting our Programmes: Policy and Advocacy

**Our advocacy is highly effective because it is based on the experiences of our volunteers and partners, giving a voice to those who might otherwise not be heard by decision makers.**

2013/14 saw the Irish Government launch the Volunteering Initiative, and was a crucial year for decision-making on the post-2015 framework for the international development agenda, including the report of the High Level Panel and the opening meetings of the Open Working Group on Sustainable Development Goals.

As we approach the deadline for the Millennium Development Goals (MDGs) at the end of 2015, our attention has turned to the process to decide on a global agreement for international development to succeed the MDGs. This new framework will establish global goals for development cooperation to be achieved by 2030 and guide the work of governments, NGOs and individuals.

VSO's priorities for the Post-2015 framework are the recognition of volunteering and the inclusion of indicators that ensure that the framework recognises, supports and protects the contribution that volunteers make to sustainable development. We are also prioritising a strong goal, targets and indicators on gender that go beyond women's participation in decision-making to ensure meaningful influence. This can be achieved through both a standalone goal and mainstreaming women's empowerment across the framework.

In 2013/14, VSO Ireland, Barncat Consulting and Hays carried out a major piece of research on short-term volunteering in order to determine whether, where and how to send increased numbers of skilled volunteers on short term placements, alongside more traditional long-term placements. The research found that short-term volunteers can make valuable contributions to VSO programmes when properly managed, and provided recommendations on how VSO can integrate skilled short-term volunteers into its programmes to maximise their impact. As the number of short-term volunteers we send increases, this research is informing how we integrate these volunteers and their skills into VSO programmes.

In April 2013, VSO Ireland supported two representatives of partner organisations to attend and contribute to a conference on Hunger, Nutrition and Climate Justice which was jointly hosted by the Irish Government and the Mary Robinson Foundation: Climate Justice as part of Ireland's Presidency of the European Council. Kebba Sillah from Wuli and Sandu Development Association (WASDA) in the Gambia and Ami Priwardhani, a climate change researcher in Indonesia, addressed the conference and spoke at a VSO Ireland seminar.



Valuing Volunteering is a two-year systemic action research project looking into how, when and why volunteering affects poverty. It is a joint project between VSO International and the Institute for Development Studies in the UK. Valuing Volunteering aims to expand our knowledge of the specific attributes of volunteering as a development intervention. The lessons learnt through the research will be used within VSO and will also be shared across the sector to inform and strengthen the design and implementation of development interventions through volunteers. Initial findings show that volunteers bridge the gap between technical assistance and sustainable change that can be led by communities.

In addition, the relationships formed between the volunteer and those they are working with mean that ideas can be generated on both sides, and the solutions identified can be adapted to the local context and be locally owned and sustained. The final report is expected to be published in January 2015.

## Supporting our Programmes: Public Engagement and Communications

**VSO Ireland increased communications output in 2013/14 through our first ever brand awareness campaign, bringing the impact of VSO volunteers to the Irish public. To increase the effectiveness of our work, partnerships with the RCPI and other health organisations are being developed by VSO Ireland.**

VSO Ireland's communications, recruitment and public engagement activities all focus on the sustainable power of volunteers and the role that Volunteering for Development can play in meeting the Millennium Development Goals.

In May 2013, VSO Ireland undertook a story gathering trip to Ethiopia to learn more about the work of our volunteers and to capture inspiring footage that could be used in future recruitment, advocacy and fundraising campaigns. To date, our recruitment videos showcasing our education and health volunteers in action have been seen by over 3500 people, and they are a critical way of engaging potential volunteers in the recruitment process.

To increase awareness of volunteering in Ireland, VSO's first ever brand development campaign was developed and implemented using national TV and radio, supported by online activities. VSO returned volunteers, Jim Ferguson (education) and Dr Mary McCauley (health) spoke about the transformative effect that volunteering can have in communities and also on the volunteers themselves. The campaign was a cost effective way of raising awareness of volunteering and the impact that volunteering can make in low-income countries.

VSO Ireland launched a specially designed, Department of Education accredited, continuous professional development (CPD) course in summer 2013 for primary teachers, providing them with new ways of integrating sustainable ideas into the classroom.

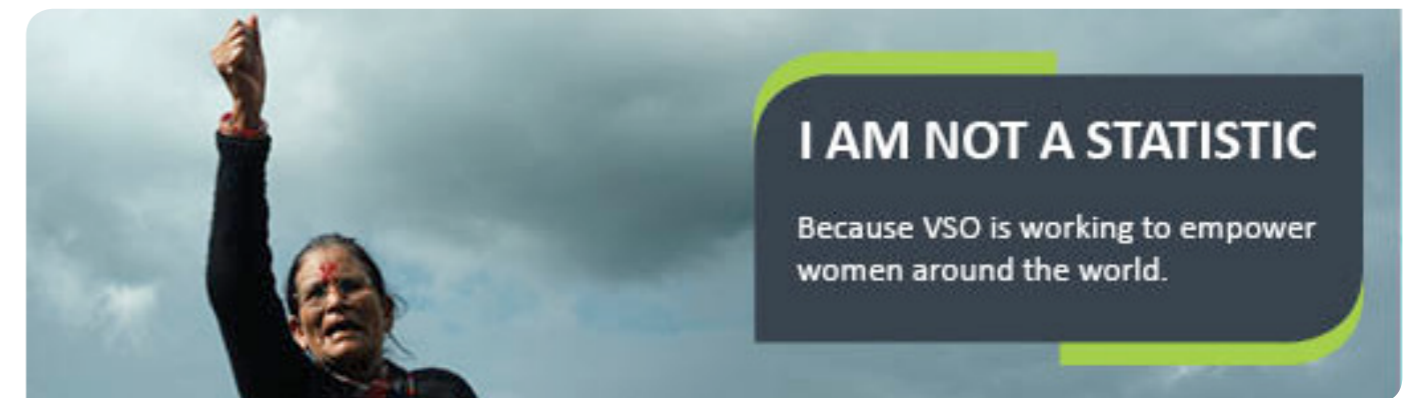
Work is ongoing with colleagues in the Irish Forum for Global Health, HSE, Royal College of Physicians in Ireland and the College of Anaesthetists of Ireland to develop new opportunities for Irish health professionals to volunteer overseas with VSO.

VSO seeks to communicate with the Irish public at all levels. Making use of the national and local media enables VSO to directly communicate with decision makers, potential volunteers, potential donors and supporters. In the last year, 212 national and local print stories were published in addition to 36 pieces on radio and online. In 2013/14, opinion pieces from the VSO Ireland Executive Director appeared in The Irish Independent, Irish Examiner and thejournal.ie on topics including HIV and AIDS in Southern Africa, the unique contribution of volunteers to development and women's participation and influence in Ireland and around the world.

Social media continues to play an important role in our communications strategy ensuring that the VSO voice is heard across all levels of society. We achieved an organic rise in followers on Facebook of 6% and an increase in Twitter followers of 32%.

Our plans for the future include optimising our online recruitment activities and recruiting more high quality volunteers for less. A new 'always-on' approach to online recruitment will ensure a steady flow of volunteer enquiries and applications.

A story gathering trip to VSO's education and disability programmes in Rwanda is planned for June 2014.





## Structure, Governance and 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 fulfil their potential. The VSO Federation comprises of VSO (operating as both VSO international and VSO UK), VSO Jitolee (Kenya) VSO Netherlands, VSO Bahaginan (Philippines) and VSO (Ireland). Each VSO federation member is a self-governing not-for-profit legal entity.

Each federation member has nominated a representative to the VSO Federation Council, an advisory board created to advise the International Board on matters relevant to the VSO Federation, including membership criteria, the admission of new members, and conducting membership status reviews. The Federation Council has a key role in the governance of VSO itself, being responsible for recruiting nominees to VSO's International Board.

The governing body for VSO Ireland Limited is the Board of Directors, who are the legal directors and members of the organisation, currently comprising of 7 Directors and 3 co-opted Directors. VSO Ireland made significant progress in developing its Board in 2013. At the last AGM in October 2013, two Directors came to the end of their term and three new Directors were appointed. Since the AGM, an additional three Directors have been co-opted to the Board. They will help enhance VSO's knowledge of the volunteering sector and support the implementation of the organisation's corporate strategy. 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 chief executive, links with the senior management team, membership

of relevant board sub-committees and participation as expert advisors to ad-hoc organisational working groups. The Board meets four to five times per year. Each meeting 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; is 100% compliant with the International VSO Criminal Practices and Whistleblowing Policy; is compliant with the Dóchas Code of Conduct on Images and Messaging; is a signatory to Comhlámh's Code of Good Practice for Sending Organisations and provided training on the appropriate use of images and messages to outgoing volunteers.

During the year, VSO Ireland continued its membership of Fundraising Ireland and became compliant with the Irish Charity Tax Reform Group's Guiding Principles for Fundraising. The organisation continues to adhere to the Data Protection Acts 1988 and 2003 and has a fully certified data protection practitioner among its staff. VSO Ireland prepares its Financial Statements in accordance with the requirements of Accounting and Reporting by Charities, Statement of Recommended Practice (SORP 2005).

### 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
- **Corporate Development Committee:** Responsible for the development of the corporate fundraising strategy overseeing, guiding, advising and evaluating VSO Ireland's corporate fundraising efforts.

The Audit, Risk and Remuneration Committee consists of Roger Duggan (Chair) and Iarla Mongey, along with Malcolm Quigley and Sinead Lee from the management team. Four formal meetings were held during the year.

The Corporate Development Committee consists of Gerard Murphy (Chair) and Olive Fives, along with staff member John White. Four formal meetings were held during the year with the strategy approved and in the process of implementation.

## Financial Statements



# Structure, Governance and Management

## Management

The Board delegates day-to-day management of VSO Ireland to the Executive Director and the senior 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 senior 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.

From January to June 2013, Malcolm Quigley, Executive Director of VSO Ireland undertook a secondment to the United States on behalf of VSO International, to explore new business opportunities for VSO. During this period VSO Ireland was under the guidance of interim Executive Director, Nick Gallagher.

## 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 along with 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 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 following risks:

- 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.

# Financial Review

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

## Income

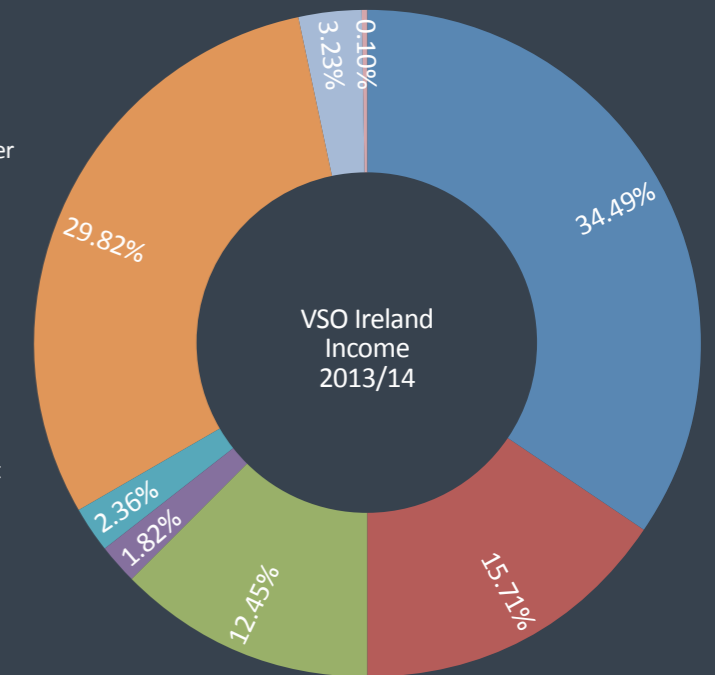
Total incoming resources for the year totalled €2,762,812 which is a decrease of €639,100 (-19%) on the previous year (2013: €3,401,912). The fundraising investment received from VSO International €434,156, was a decrease of €647,952, (-60%) on the previous year (2013: €1,082,108). This was as a result of the supplier unexpectedly cancelling the regular giving campaign with less than 25% of the 4,000 recruitment target achieved.

VSO Ireland received funding from the Department of Foreign Affairs (Irish Aid). VSO Ireland and Irish Aid have developed new programmes in three priority countries: Ethiopia (maternal and neo-natal healthcare), Uganda (teacher training and inspection) and Zambia (local government effectiveness and planning). The total value of this agreement is in excess of €1 million over two years, with €344,090 received during 2013 for the period of August to December 2013. Irish Aid funding represents 12.45% of VSO Ireland's total income for 2013/14 down from 15.62% in 2012/13. 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. This investment continued throughout 2013/14 at a reduced level as a result of the cancelled regular giving campaign. VSO Ireland continues to focus on two investment programmes:

- Regular Giving from individuals will result in increased income over future years. Income from regular giving for the year totalled €824,000 (2013: €787,311). This represents 29.8% of VSO Ireland's total income for 2013/14 up from 23.1% in 2012/13. VSO Ireland and our overseas volunteers would especially like to thank these donors for their continued support.
- The corporate fundraising strategy focuses on VSO's areas of work that are best suited to a corporate CSR plan. With the new strategy in place, VSO has begun to engage with companies to build an active pipeline to achieve future partnership success.

Income from trusts and foundations increased significantly during the year totalling €50,230 (2013: €6,923). These contributions enabled women in Zimbabwe to reduce the amount of time they spend collecting fuel through the provision of fuel efficient stoves, empowered young people to educate their peers about HIV in Mozambique and helped primary schools in Uganda to improve the



Legend for VSO Ireland Income 2013/14:  
 ■ VSO International Core Grant  
 ■ VSO International Fundraising Investment  
 ■ Irish Aid Funding  
 ■ Trusts & Foundations  
 ■ Community Fundraising  
 ■ Individual Giving  
 ■ Donations in Kind  
 ■ Bank Interest

quality of education.

VSO Ireland is also in receipt of donation/services in kind totalling €89,276 (2013: €21,710). 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 Newstalk, Google, Event Junkies, Hays and AIB.

# Financial Review

The charity spent €1,803,819 on charitable activities, amounting to 73% of our total expenditure including the large fundraising investment. If we exclude the cost of the fundraising investment of €358,945, which is fully funded through the investment grant from VSO International, the amount spent on charitable activities is 85% of total expenditure.

## 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.

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

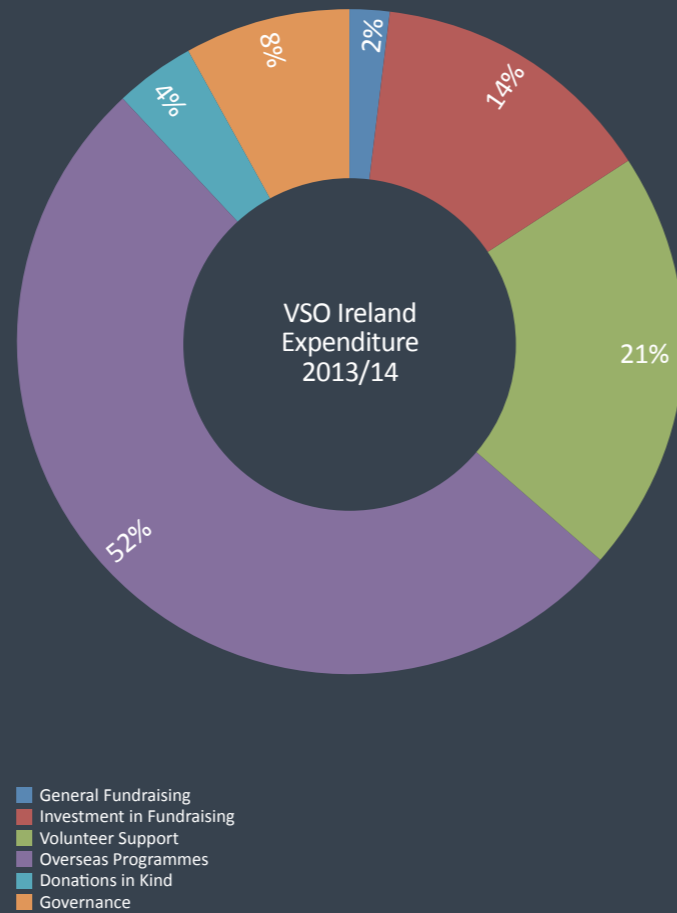
- Volunteer placement costs show a 36% increase primarily due to a once off increase in staff capacity to implement the volunteer recruitment process changes.
- Volunteer recruitment costs have increased by 55% which incorporated a national brand campaign highlighting the impact of Irish VSO volunteers overseas.
- Overseas programme costs show a 14% decrease which reflects the changed programme support relationship with Irish Aid.

The cost of generating funds has decreased as a result of a more focused approach taken around the planned investment in fundraising. On the face of the accounts the cost of generating funds is shown between:

- Voluntary income €38,922 (-58%)
- Investment in fundraising €358,945 (-62%)

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 5 year programme. The investment was not fully utilised in 2013/14 with the under-spend to be deployed in future years.

Governance costs show a decrease of 2%. As indicated in previous years material changes to this figure are not expected.



- General Fundraising
- Investment in Fundraising
- Volunteer Support
- Overseas Programmes
- Donations in Kind
- Governance

# Financial Review

## Funds held

Total funds carried forward at 31 March 2014 amounted to €796,029 of which €202,859 were restricted funds. Unrestricted funds increased from €443,097 to €593,170.

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 2014 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 achieved 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 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 2014, it was agreed that the appropriate level of reserves for VSO Ireland be set at €465,633. This increase incorporates an amount for both an unbudgeted fundraising campaign currently being researched and seed funding to enable a potential initiative. The excess of €127,537 has been allocated for expenditure in 2014/15. 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 £5.7 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 £7.3 million.



## Reference and Administrative Details

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

### Board of Trustees (as at 31 March 2014)

<b>Iarla Mongey (Chair)</b>	Director of Public Affairs, Drury Communications
<b>Roger Duggan (Treasurer)</b>	Director, Cable Music and former VSO volunteer
<b>Hilary McDonagh (Trustee)</b>	CEO, Irish Ancestry
<b>Derek McDowell (Trustee)</b>	Former Labour Party TD and Senator
<b>Olive Fives (Trustee)</b>	Organisational Development Consultant and former VSO volunteer
<b>Gerard Murphy (Trustee)</b>	Managing Director, Coillte Ireland
<b>Wendy Osborne OBE (Trustee)</b>	Chief Executive Officer, Volunteer Now (NI)
<b>Eileen Sheahan (Co-opted trustee)</b>	Chartered Management Accountant
<b>Richard Landon (Co-opted trustee)</b>	Chief Financial Officer, IBM Ireland
<b>Jane Meehan (Co-opted trustee)</b>	Head of Legal, Irish Auditing and Accounting Supervisory Authority

### Senior Management Team (as at 31 March 2014)

<b>Malcom Quigley</b>	Executive Director
<b>Sinead Lee</b>	Head of Support Services
<b>Deirdre Finlay</b>	Head of Volunteering and Corporate Performance
<b>Geralyn Thompson</b>	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](http://www.vso.org.uk))
- VSO Jitolee in Kenya ([www.vsojitolee.org](http://www.vsojitolee.org))
- VSO Netherlands in the Netherlands ([www.vso.nl](http://www.vso.nl))
- VSO Bahaginan in the Philippines ([www.vsobahaginan.org.ph](http://www.vsobahaginan.org.ph))

### Bankers

**AIB plc**  
7/12 Dame Street, Dublin 2

### Auditors

**Deloitte & Touche**  
Deloitte Ltd, Deloitte House, Earlsfort Terrace, Dublin 2

### 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 Acts, 1963 to 2013. 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 year ended 31 March 2014 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. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland). 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law 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 year ended 31 March 2014 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, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the affairs of the company as at 31 March 2014 and of the net incoming resources for the year then ended;
- And have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

### Matters on which we are required to report by the Companies Acts, 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report 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 Acts, 1963 to 2013 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**  
**4th September 2014**

## Statement of Financial Activities for the Year Ended 31 March 2014

	Notes	Unrestricted funds 2014 €	Restricted funds 2014 €	Total Funds 2014 €	Total Funds 2013 €
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Grant income	1	952,923	-	952,923	843,294
Voluntary income		889,327	-	889,327	908,021
Donations in kind		89,276	-	89,276	21,710
Bank interest		2,810	-	2,810	8,396
Other income – VSO International investment grant		434,156	-	434,156	1,082,108
<b>Income resources from charitable activities:</b>					
Grant income – Irish Aid		19,477	324,613	344,090	531,460
Grant income	1	1,024	49,206	50,230	6,923
<b>Total incoming resources</b>		<b>2,388,993</b>	<b>373,819</b>	<b>2,762,812</b>	<b>3,401,912</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
- cost of generating voluntary income		(38,922)	-	(38,922)	(93,033)
- other costs		(358,945)	-	(358,945)	(940,174)
Charitable activities	2	(1,560,406)	(243,413)	(1,803,819)	(1,849,922)
Donations in kind		(89,276)	-	(89,276)	(21,710)
Governance costs		(191,371)	-	(191,371)	(194,930)
<b>Total resources expended</b>		<b>(2,238,920)</b>	<b>(243,413)</b>	<b>(2,482,333)</b>	<b>(3,099,769)</b>
<b>Net incoming resources</b>	3	<b>150,073</b>	<b>130,406</b>	<b>280,479</b>	<b>302,143</b>
Total funds brought forward	10	443,097	72,453	515,550	213,407
<b>Total funds carried forward</b>	10	<b>593,170</b>	<b>202,859</b>	<b>796,029</b>	<b>515,550</b>

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.

The financial statements were approved by the Board of Directors on the 4th September 2014 and signed on its behalf by:



Olive Fives  
Director



Roger Duggan  
Director

## Balance Sheet as at 31 March 2014

	Notes	2014 €	2013 €
<b>Fixed assets</b>			
Tangible assets	7	6,837	4,247
<b>Current assets</b>			
Debtors	8	32,636	19,178
Cash		909,904	1,289,419
		<b>942,540</b>	<b>1,308,597</b>
Creditors: (Amounts falling due within one year)	9	(153,348)	(797,294)
<b>NET CURRENT ASSETS</b>		<b>789,192</b>	<b>511,303</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>796,029</b>	<b>515,550</b>
<b>NET ASSETS</b>		<b>796,029</b>	<b>515,550</b>
<b>REPRESENTED BY:</b>			
General fund	10	593,170	443,097
Restricted income fund	10	202,859	72,453
<b>TOTAL FUNDS</b>		<b>796,029</b>	<b>515,550</b>

The financial statements were approved by the Board of Directors on 4th September 2014 and signed on its behalf by:



Olive Fives  
Director



Roger Duggan  
Director



## Cash Flow Statement For The Year Ended 31 March 2014

	Notes	2014 €	2013 €
<b>Net cash (outflow)/inflow from operating activities</b>	11	(377,763)	944,479
<b>Returns on investment and servicing of finance:</b>			
Interest received		2,810	8,396
Purchase of fixed assets		(4,562)	-
Net cash (outflow)/inflow from returns on investments and servicing of finance		(1,752)	8,396
<b>(Decrease)/increase in cash and cash equivalents</b>	12	<b>(379,515)</b>	<b>952,875</b>

## Notes to the Financial Statements for the Year Ended 31 March 2014

<b>1. Grant Income</b>	2014 €	2013 €
Grant income is received from various organisations and is analysed as follows:		
VSO International – core grant	952,923	843,294
Electric Aid	8,332	6,923
INTO	5,405	-
Bishop's Appeal	13,000	-
Bewleys	8,200	-
Dublin City Council	4,050	-
Alllergan	10,243	-
ASTI	500	-
Volunteer Fundraising	500	-
	<b>1,003,153</b>	<b>850,217</b>

<b>2. Charitable Activities</b>	2014 €	2013 €
Expenditure on charitable activities is analysed as follows:		
Volunteer placements	117,117	85,920
Volunteer recruitment	371,691	239,793
Return volunteers	24,084	25,763
Overseas programmes	1,290,927	1,498,446
	<b>1,803,819</b>	<b>1,849,922</b>

<b>3. Net Incoming Resources</b>	2014 €	2013 €
Net incoming resources for the year is arrived at after charging/(crediting):		
Directors' remuneration	-	-
Operating leases	46,062	44,402
Interest earned	(2,810)	(8,396)
Depreciation	1,972	1,288
Auditors' remuneration (excluding VAT):		
- Audit	7,500	7,500
- Tax advisory services	-	-
- Other assurance services	-	-
- Other non-audit services	-	-

## Notes to the Financial Statements (continued) for the Year Ended 31 March 2014

4. Employees	2014 Number	2013 Number
Number of employees		
The average monthly number of employees during the year was:		
Full time	9	8
Part time	2	4
	<b>11</b>	<b>12</b>
The aggregate payroll costs of these persons were as follows:	2014 €	2013 €
Wages and salaries	516,811	504,514
Social welfare costs	54,936	53,277
Pension costs	20,258	19,981
	<b>592,005</b>	<b>577,772</b>
The number of employees whose salaries including staff benefits but excluding employer pension contributions, were greater than €70,000 was as follows:	2014	2013
€70,001 - €80,000	1	1
The salary including staff benefits paid to the chief executive was €76,785 and his employer pension contributions amounted to €6,298		
<b>5. Pension Costs</b>		
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 €20,258 (2013: €19,981). Amounts payable at the year-end were €Nil (2013: €1,771).		
<b>6. Taxation</b>		
The company is exempt from Corporation Tax due to its charitable status.		
<b>7. Tangible Fixed Assets</b>		
		<b>Fixtures, Fittings &amp; Equipment</b>
<b>Cost</b>		
At 1 April 2013		8,586
Additions		4,562
At 31 March 2014		<b>13,148</b>
<b>Depreciation</b>		
At 1 April 2013		4,339
Charge for the year		1,972
At 31 March 2014		<b>6,311</b>
<b>Net book values:</b>		
At 31 March 2014		<b>6,837</b>
At 31 March 2013		<b>4,247</b>

## Notes to the Financial Statements (continued) for the Year Ended 31 March 2014

8. Debtors	2014 €	2013 €		
Other debtors	11,897	12,166		
Prepayments and accrued income	20,739	7,012		
	<b>32,636</b>	<b>19,178</b>		
<b>9. Creditors (Amounts falling due within one year)</b>				
	2014 €	2013 €		
Trade creditors	115,107	255,249		
Amounts owed to related undertakings (Note 13)	9,453	499,932		
PAYE and social welfare	14,035	22,723		
Accruals and deferred income	14,753	19,390		
	<b>153,348</b>	<b>797,294</b>		
<b>10. Statement of movement on funds</b>				
	Unrestricted Fund €	Restricted Fund €	Total €	
At 1 April 2013	443,097	72,453	515,550	
Net incoming resources	150,073	130,406	280,479	
<b>At 31 March 2014</b>	<b>593,170</b>	<b>202,859</b>	<b>796,029</b>	
The balances on restricted funds at 31 March 2014 represent expenditure on overseas programmes to be incurred during the next financial year.				
	Balance at 01/04/2013 €	Restricted Income €	Restricted Expenditure €	Balance at 31/03/2014 €
Bank interest	35,157	-	-	35,157
INTO	3,000	-	-	3,000
Electric Aid Zimbabwe	6,923	-	(6,923)	-
Electric Aid Ethiopia	-	8,332	-	8,332
Irish Aid RAISA	22,931	-	(22,931)	-
Irish Aid Ethiopia	-	122,127	(80,843)	41,284
Irish Aid Uganda	-	92,851	(63,214)	29,637
Irish Aid Zambia	-	109,636	(37,956)	71,680
RAISA Fundraiser	4,442	-	(4,442)	-
Bishop's Appeal – Mozambique	-	13,000	(13,000)	-
Bewleys – Zimbabwe	-	8,200	(8,200)	-
Dublin City Council – Mozambique	-	4,050	-	4,050
Allergan - Bahaginan	-	9,219	-	9,219
ASTI - Cambodia	-	500	(500)	-
INTO – Uganda	-	5,405	(5,405)	-
Volunteer Funding – Rwanda	-	500	-	500
<b>Total Restricted Funds</b>	<b>72,453</b>	<b>373,820</b>	<b>(243,414)</b>	<b>202,859</b>



## Notes to the Financial Statements (continued) for the Year Ended 31 March 2014

11. Reconciliation of changes in resources to net cash inflow from operating activities	2014 €	2013 €
Incoming resources in the period	280,479	302,143
Depreciation	1,972	1,288
Bank interest	(2,810)	(8,396)
(Increase)/decrease in debtors	(13,458)	23,908
(Decrease)/increase in creditors and accruals	(643,946)	625,536
<b>Net cash inflow from operating activities</b>	<b>377,763</b>	<b>944,479</b>

12. Analysis of changes in net funds	Opening Balance €	Cash Flow €	Closing Balance €
Cash on hand and at bank	1,289,419	(379,515)	909,904

### 13. 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 €1,387,079 (2013: €1,925,402). 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 2014 to VSO International by VSO Ireland is €9,453 (2013: €499,932).

### 14. Commitments

The company had no capital commitments at the year end.

Annual commitments exist under operating leases as follows:

	Bulidings	Equipment	Total
Within one year	41,476	1,066	42,542
Within two to five years	-	3,520	3,520
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.'

## 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 2013. 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:

(i) Grant income from operating activities, in furtherance of the charity's programmes is accounted for on a receivable basis.

(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.

## Statement of Accounting Policies (continued)

### 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:

(i) To allow for uncontrollable fluctuations in income and expenditure and for unbudgeted essential expenditure, without disproportionate disruption to operations.

(ii) To absorb setbacks and the (adverse) effects of large scale external events.

(iii) 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.

## Thank You

VSO Ireland would like to extend our thanks to the many generous people and organisations that play a vital part in helping to achieve our vision - a world without poverty.

First and foremost, we thank our volunteers and recognise the significant contribution that they make to improving the lives of people in some of the world's poorest communities. Our volunteers generously give up their time in order to share their expertise in our programmes around the world. Without them, our work would simply not be possible. Many of our volunteers continue their commitment long after they have returned home,

by fundraising and promoting our work.

During 2013/14, we received generous pro bono support and gifts in kind from corporate donors. This type of support is invaluable to enable us to achieve our goals.

We also thank all of our generous individual donors, most of whom are not listed below, for their continued support of our work.

Act Now on 2015	National Volunteer Council
Accenture	Newstalk
Aidan Kavanagh	Robert Mulcahy
Anne-Marie Fallon	RTÉ
Bank of Ireland	The Shelbourne Hotel
Brendan Courtney	The Wheel
Business in the Community	Think Designs
Catwalk Models	UNICEF
Church of Ireland Bishops' Appeal	UN Volunteers
Comhlámh	World Health Organisation
Dóchas	World We Want
Dominick Walsh	Volunteer Ireland
European Commission Representation in Ireland	Volunteer Now
Event Junkies	VSO Corporate Champions
Gary Kavanagh	
Google Grants	
HAYS	
INTO	
Irish Aid	
Irish Aid Volunteering and Information Centre	
Irish Coalition of the Global Campaign for Education	
Irish Distillers	
Irish International Business Network	
Irish Primary Principals Network	
LA Creative	
Mondolez International	





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

+353 (0)1 6401070  
[www.vso.ie](http://www.vso.ie)  
[info@vso.ie](mailto:info@vso.ie)  
[@vsoireland](https://www.instagram.com/vsoireland)

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